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136.

The Nation's Business

- Public Ownership Wanes in Canada
- Ontario Hydro Meets Set-Back
- Canada to Show at British Fairs
- Propaganda Against U.S.

THE triumph of a private power company over the Ontario Hydro-Electric Power Commission, in an electoral battle at Sault Ste. Marie is a sign of the times. Public ownership is no longer riding on the crest of the waves.

Between the vague promises of politicians and public ownership advocates on the one hand and the concrete, clear-cut offer of a privately-owned power company on the other hand, the voters of Sault Ste. Marie did not hesitate for long. They decided to give their support to the private power enterprise that has already given them good service, and not to hazard the industrial future of their city upon promises of "power at cost." They had had ample evidence throughout Ontario that "power at cost" means power at very high cost, much higher cost than private enterprise charges for its service in the adjoining province of Quebec.

* * *

GREAT LAKES POWER CO. developes power near Sault Ste. Marie and supplies it in large blocks to important industries in that city. Its power demands have been growing and it found it necessary to obtain new power rights. It was prepared to spend $2,500,000 on a new plant when the Ontario Hydro-Electric System determined to step into the picture and prevent the Great Lakes Power Company from getting any further power, at the same time raiding the Great Lakes Power territory itself. It failed signally.

All the usual Hydro tricks were adopted to win a political victory. One of the commissioners, C. Alfred Maguire, made his usually inflammatory public addresses and then that amusing and outwardly independent body, the Ontario Municipal Electric Association, sent its secretary, T. J. Hannigan, up to the Soo to spread misleading propaganda and to wield the big stick a la Beck. It was noticeable that the chairman of the Ontario Hydro Commission, Hon. C. A. Magrath, was not present nor was he heard from. Probably, Mr. Magrath thoroughly disapproved of the tactics of his lieutenants.

* * *

DESPITE the Hydro pressure, a clear victory was won by individual initiative and private ownership, not the first significant victory in recent years.

Western Canada, which was strongly public ownership, is turning back to the sounder practice of encouraging private business to provide efficient service at economical rates. In one town after another publicly-owned utilities have been sold out to private companies, in every case to the benefit of the community.

Public ownership is not dead in Canada, but it is dying out. When the business structure of the country is relieved of the shackles of state socialism a more vigorous national life will result.

* * *

THE volte face by Ottawa on the matter of participating in the British Industries Fair in co-operation with the Empire Marketing Board is apparently a complete reversal of policy on the whole question of participating in exhibitions in the Old Country. It is understood that Ottawa is appointing an Exhibition Director for the British Isles, who will arrange exhibits on all occasions, when an opportunity presents itself to win for Canada good publicity.

When a definite announcement is made on this subject many Canadians will feel much relieved. They have been frankly worried by the antagonism shown in some quarters at Ottawa to co-operation with the British government in arranging publicity for Canada. The antagonism was quite inexplicable. As fair after fair was announced, held and closed without any showing by Canada, although the other Dominions were well represented, and as these omissions were revealed in The Financial Post, Canadian business men became more and more perturbed by Ottawa's indifference. But finally some of the stronger men in the Cabinet brought discussion to a decisive stage and a policy of co-operation was decided on.

The new policy, if effectively pursued, will be of great help to Canada

* * *

LONDON cables say that it is believed there that the Americans are planning a powerful navy and will use it in the next war to protect their traders who may desire to sell goods to the fighting nations. This is undesirable propaganda. The Financial Post has never joined in the criticism of the Americans for their early stand on the war and on debt settlements. Brutal selfishness inspired much of the propaganda in these matters. Part, in fact, the greater part, of the criticism of and the propaganda against the Americans for selling goods to Germany came from British subjects who themselves were selling direct to Germany. Canadian nickel and supplies of all kinds, produced in the Dominion, went to Germany through British profiteers. Even British Cabinet Ministers profiteered on the generosity of the United States government. This and the other similar facts were brought out in these columns and in MacLean's Magazine during the war.

Anti-American propaganda in British and Canadian journals is as dependable a factor for promoting international discord as similar propaganda in American papers and public addresses.

ALGOMA STEEL PLANS TO ADD SEVERAL LINES

Statement of Executive May Have Been Effective in Hydro Fight

AIDS POWER COMPANY

Great Lakes, Already in Field, Believed Ready to Assist in Industrial Development

Special to The Financial Post

SAULT STE. MARIE.—Extension and expansion of Algoma Steel Corporation plants here will involve ultimately between $10,000,000 and $12,000,000, it is announced officially.

The company proposes extension of plant immediately for fabrication of structural sections up to fifteen inches providing the steel industry's requests to the tariff board for greater protection are granted by the government.

Present security holders in this company have reorganization plans under consideration, it is asserted, but this does not mean that there will be further public financing soon. Until these plans are definitely settled, no public announcement will be made.

Sault Ste. Marie voters have voted against government ownership of power development in that district. The campaign between Ontario Hydro leaders and exponents of private ownership waxed warm in the last weeks. An entrant into the fray at the last moment was J. D. Jones, vice-president of the Algoma Steel Corp., who pointed out that the steel corporation would have difficulty in obtaining further power which it will need if the Hydro plans, as announced by engineers and by C. Alfred Maguire, were permitted to be carried out. As the plans of the steel corporation include a further diversification of product which will tend to iron out the fluctuations in employment in Sault Ste. Marie, it would seem that the statement of the steel corporation executive should have been effective with the voters.

Rejection of the public-ownership plan naturally will help the Great Lakes Power Co. further to develop the waterpowers in the district, as the Hydro evidently was intending to prevent additional private development. Great Lakes Power Co. is controlled by the Insull interests of Philadelphia. It is believed that the power company is ready to co-operate with the steel corporation in developing power which will be ready for the steel corporation and other industries as it will be needed.

Mr. Jones' statement is of great interest, incidentally, to security holders in Algoma Steel and of Lake Superior Corp., the holding company, because of the details which are given of the plans for the development of the properties in order that the company may not be dependent on its rail mill. Mr. Jones said:

> At the council meeting, where Engineer James, of the Hydro, was present to answer questions, some one, in the discussion in connection with the load factor that Hydro were designing in the proposed St. Mary's River, asked the question, "What effect would that have on the steel and paper companies?" and Mr. James said that the plant they had in mind was not being designed to take care of such loads as the paper company and steel plant required, and that if they needed additional power they would have to go some place else to get it.
>
> Then Mr. Maguire, at the first meeting in the technical discourse, made the statement that nobody would be allowed to develop the power on the rivers adjacent to the Sault. No pri-

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Donnacona May Work With Price Brothers

From Our Own Correspondent

MONTREAL — The opinion seems to be gaining ground in informed circles that the Donnacona Paper Company will operate as a subsidiary of Price Bros. When the announcement of the purchase of the property by the Royal Securities Corp. was first made public, The Financial Post learned that John H. Price, president of Price Bros., was interested in the transaction also. At that time, it was thought that the company would not be connected with Price Bros., but since then it is thought that the company will be re-capitalized and an equity of some $3,000,000 be put into the property. New senior securities will be sold and the company will operate as a subsidiary of Price Bros.

EDITOR GIVES BEARISH VIEW ON BRAZILIAN

South American Journal Devotes Leading Article to Traction Co.

FORESEES INFLATION

Gives Management No Credit For Policy of Carrying Out Expansion Out of Earnings

Brazilian Traction Light & Power is selling much too high, in the sage opinion of the South American Journal and Brazil and River Plate Mail, published in London. This publication, dated December 17th, advises its readers, "now that unwise inflation is again in progress," to get out and "leave this concern, and its common or no-par value stock to the Canadian insiders who have been so active of late in running up the quotations."

The South American Journal and Brazil & River Plate Mail, (established 1863, price ninepence) boasts of receiving a diploma of honor at the Buenos Ayres exhibition in 1910 and says it is a weekly newspaper giving publicity to all matters affecting the prosperity and development of South and Central America, Mexico, &c.

This authority devotes its leading article to an attack on the policy of the Brazilian directorate in authorizing the split in the common shares and the addition of $22,000,000 of new capital in common stock. It admits that the new capital should bring additional revenue eventually, but believes that this is a distant probability in view of the fact that it may be used for acquisition of additional properties which may need to be developed before they begin to earn.

The writer of the article, speaking for the publication, fears that soon or late there will be trouble with the Brazilian government and the public "for the latter will very rightly object if called upon to pay increased charges for services of a public utility character in order to help earn profits on inflated capital."

The increase in the capitalization is inflation, in the opinion of this writer, who pays little or no heed to the fact that vast sums have been ploughed back into the property without increasing the obligations of the company for years and it is not admitted that the company is entitled to a fair interest return on this investment. It is asserted that the

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Algoma Steel's Bonds Rise as Clouds Lift

From Low Point Around 30, First Mortgage Issue Has Gained to 40 and Now Seems Attractive Gamble

In the course of the last year the first mortgage bonds of Algoma Steel Corp., due in 1962 and bearing 5 per cent. interest, have risen in value on the unlisted markets from approximately 30 per cent. to 42 per cent. of their par value of £100 and £500.

The bonds are a first charge on all the physical assets and a floating charge on all other assets of the steel corporation. The only prior charge is for $5,800,000 of so-called purchase money bonds. Net assets are in the neighborhood of $35,000,000. The outstanding bonds total about $20,000,000. The issue is guaranteed unconditionally both as to principal and interest by the Lake Superior Corp. So far, the holding company for Algoma Steel, Algoma Railways, etc., has been able to maintain the interest on the bonds.

Outlook Gradually Improves

The outlook for the Algoma Steel Corporation is believed gradually to be improving. The announcement of F. D. Jones, vice-president, in the power campaign at Sault Ste. Marie last month, showed that the company is keenly aware of the possibilities of the situation and is preparing to take advantage of conditions for betterment. The balance sheet for the year ended last June 30th, showed a great improvement in earnings. Executives of the company attributed this to a diversification of industry which enabled the company to maintain certain units of the big plant in operation a greater number of days per year. As will be seen by the accompanying article, wherein is reproduced Mr. Jones' speech, the further diversification is expected to maintain more nearly constant operation.

Development Merely Beginning

The position of the holding company likewise has been improving, and it can be expected that revenue derived from Algoma Central railway and other subsidiaries will increase considerably in view of the industrial and mineral development that is taking place in the area these railways and other subsidiaries serve. The lumbering and mining industries have added considerably to the revenue of the railways in the Algoma district and it is fairly certain that this development is merely beginning.

Thus the first mortgage bonds, subject only to the purchase-money bonds, are becoming a more attractive gamble because of the betterment in the situation of Algoma Steel Corp., and because of the possible improvement in Lake Superior Corp., which has guaranteed the issue as to principal and interest.

Algoma Steel bonds have been chiefly conspicuous in recent months for the attempts of certain dealers in unlisted securities to peddle them in country places at prices somewhat above the prevailing market. Typical high-pressure methods have been used principally with persons who should not have and were not seeking speculative securities.

ZIMMERKNIT DEAL IS ON ONCE AGAIN

Amalgamation Along Lines Previously Reported is Expected

MEET COMPETITION

Obstacles to Deal Are Overcome and Statement Will be Issued Shortly

Announcement will be forthcoming in a week's time regarding the much discussed merger of knit goods manufacturers, headed by Zimmerknit, Ltd.

Since July last there has been talk of a consolidation of Zimmerknit, Mercury Mills, of Hamilton, Forbes, of Hespeler, and Harvey Knitting Co., of Woodstock. While Zimmerknit has not made any announcement one way or the other in regard to this deal, the others have categorically denied it or have stated that inducements offered were not sufficiently attractive.

As far as can be learned an amalgamation has been effected, though it is not known definitely whether all of the above mentioned companies will be in it. It is sufficient to say, however, that interests back of Zimmerknit have arrived at some arrangement which will be of importance to stockholders of that company.

Strong Combine

Provided a merger of two or more of the companies mentioned is brought out, the resulting combination would be one of the strongest in the knit goods field. While other companies mentioned as likely to go into the amalgamation are engaged in the knit goods manufacturing business, their products are somewhat dissimilar to those of Zimmerknit's and do not come into open competition.

It has been recognized among the trade for some time that a merger of the principal knit goods companies would prove beneficial to the industry. At present these companies are experiencing keen competition from foreign producers, who are able to place their products on the Canadian market at lower prices on account of depreciated currency and lower wage costs.

Effect Economies

This competition could be successfully coped with by the setting up of a strong combination under one management. Economies could be effected in operating and sales costs, advertising, etc., which would widen the margin of profit without increasing prices to the consumer.

Zimmerknit, Ltd., as a business was founded twenty-one years ago by A. F. Zimmerman and the late Adam Zimmerman. It has a thoroughly modern textile manufacturing plant located in Hamilton which, together with other assets, is valued at about $800,000. The company manufactures underwear, hosiery and knit goods which are sold in Canada from coast to coast and find a ready market in Australia, New Zealand and other parts of the British Empire. Sales run to about $1,750,000 yearly.

Investment Large

The capital structure of the company now consists of 50,000 shares of common and $1,000,000 preferred. Common shares issued total 25,000. R. A. Daly & Co., of Toronto, and R. O. Denman, of Hamilton, recently sold $600,000 of preferred and these, together with the common shares, have been listed on the Toronto Stock Exchange.

Control of the company passed to a group, headed by R. L. Innes, of Hamilton, following the death of A. B. Couch, who was killed in an automobile accident near Toronto early last year. It was in connection with the change of ownership that the preferred stock issue was made.

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New Size for The Financial Post

WITH this issue, The Financial Post appears in a larger size and somewhat different dress. This change marks a definite advance in The Financial Post's service to its subscribers.

For many months there has been a steady increase in the circulation of The Financial Post, which has now reached 13,000 paid, a figure that is the highest ever achieved by any Canadian business or investment paper, and one which puts The Financial Post among the leading financial papers of the whole world. In addition, the advertising revenue has been growing, enabling a larger number of pages to be printed each week and thus enlarging the service to the readers.

This steady expansion has been accompanied by serious problems of production. It became necessary to instal equipment to speed up the printing of The Post, and the most modern type of newspaper press yet perfected has been installed. For many reasons it was found desirable to change the page size to the standard size which such presses are equipped to print.

Readers will benefit directly from these changes. A larger editorial service can be given, and such departments as insurance, banking, answers to investors, pulp and paper, etc., will be expanded at the same time that a broader service is given in general investment and business news. Speedier production will also prevent certain delays that have occasionally interfered with prompt delivery of copies by mail.

All the regular features have been retained intact, but there has been necessarily some change in the placing of departments in the paper. The regular features will this week be found on the following pages:

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International Power Earnings Show Rise as Subsidiaries Grow

Gross Earnings for Nine Months Increase by $340,000

HOLDING DOWN COSTS

Operating Expenses Larger by Only $70,000—Enterprises Widely Scattered

From Our Own Correspondent

MONTREAL.—A statement of the earnings of the companies controlled by the International Power Company should prove a source of much satisfaction to International Power shareholders, showing as it does a substantial increase in both gross and net earnings over the similar period of 1926.

Total gross earnings for the nine months to September 30, 1927, amount to $3,039,713, an increase of $340,639, while it is interesting to note that total operating expenses amounting to $1,702,295 show an increase of but $70,453. Total net earnings amounting to $1,337,418, are $270,186 ahead of the similar period in 1926.

Controls Many Utilities

The International Power Company controls through common stock ownership, the Porto Rico Railways Co., Newfoundland Light and Power Co., Bolivian Power Co., Electric Light and Power Company of Oruro, Demerara Electric Co., and the San Salvador Electric Light Co. It owns the Venezuela Power Co., completely and also a majority of the bonds of the Demerara Electric Co.

Each of the companies in which it is interested has shown satisfactory progress during the past year. The installation of new plant and equipment, notably by the Venezuela Power Co. and the Newfoundland Light and Power Co., together with the centralization of administration and purchasing departments, has made for more efficient and economical operation. All these factors have resulted in bettered earnings, as is revealed by the accompanying comparison of the consolidated earnings for the nine months ended September 30, 1927, with figures for the same period in 1926.

Use Better Methods

A marked change has been evident in the business methods employed by the different public utility companies in which International Power is interested, since it has secured their control. This has been evidenced by a careful study of the power needs of the communities which they serve, and an aggressive campaign for new business. Educa-

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Satisfactory Year for Montreal Trams

From Our Own Correspondent

MONTREAL. — The year just concluded has been a satisfactory one for the Montreal Tramways Company. There has been material increase in the number of passengers carried and when the annual report makes its appearance, it is expected to show increased earnings and an improved position. The steadily increasing betterment in the company's position has already been reflected in the price of its stock which earlier in the year sold around 169 and now is close to the 200 level.

BOTH TERMINALS HAVE DONE WELL SINCE FINANCING

Canadian Warehouses Report Good Business at Toronto, Montreal

Canadian Rail & Harbor Terminals, Toronto, and Montreal Rail & Terminals, are reported by the sponsors of the first mortgage bond issues, to be doing a larger business at this time than was anticipated when the warehouses were built in Toronto and Montreal. At the time of the first financing, it was calculated that much of the space would be unoccupied in the first two or three years, and for this reason a larger sum than was necessary for actual construction was raised in order to give the companies working capital.

It is now stated that the earnings are running substantially ahead of estimates, although it is not announced that earnings are as yet sufficient in both cases to meet all operating costs as well as fixed charges.

The business created for the Toronto warehouse is especially gratifying. The development has grown from virtually nothing, as, of course, the harbor business in Toronto is but a fraction of the harbor business at Montreal, and, at the time of construction, this one warehouse contained more space than all the other warehouses in the city. In Montreal, the warehouse began with a contract for substantial volume of business from the Canadian Pacific Railway.

Spanish River Plans to Expand Paper Mill at Sault Ste. Marie

Commenting on the result of the Great Lakes Power vote in Sault Ste Marie, Col. C. H. I. Jones, vice-president of Spanish River Pulp & Paper Co, said:

"The answer as far as the paper company is concerned can be only one thing. We are satisfied with the power we are getting. We don't know where we could get it cheaper. We have a certainty as far as price is concerned and we know that we can extend our plants to 300 tons a day, because our bankers will lend us the money to extend our plants to that capacity if we have assured power—power being vital to our business—but we do know that we cannot put up a proposition to bankers to extend our business if we have to admit to them the uncertainty as to cost of power which would inevitably arise if Hydro are going to develop in the Soo rapids."

Spanish River operates a mill at Sault Ste. Marie under the name of a subsidiary, Lake Superior Paper Co. The capacity of the mill at present is 250 tons of newsprint per day.

RATE WAR LIKELY OVER NEW POLICY IN LIFE INSURANCE

Discrimination Between Present and Prospective Holders Objected To

U. S. COMPETITION

Hold-outs Aver That Many People Prefer to Combine Investment With Protection

That the old policy of selling life insurance on a high-cost, dividend-loaded plan, will not be surrendered without considerable opposition, was made evident this week, from the reaction of various life insurance companies to the announcement in The Financial Post, that three important Canadian companies have definitely committed themselves to selling participating insurance on a rate that is little above the "non-par" premium.

However, no matter what the company, there is no tendency to underestimate the importance of this new move in life insurance, and the opinion was freely expressed, that there is an imminent possibility of a rate-war in the life insurance field, which would lead all companies to issue this new low-rate policy, even against their better judgment.

Contrary Argument

One point upon which the argument against this lower type of policy rests, is the assertion that to offer this low-cost plan is to discriminate against the present and prospective policyholders of the company. This discrimination might take several forms, depending on the practice of the company.

For instance the new type of policy is usually sold on a $5,000 basis. This means that although the policy will be sold for a lower amount if necessary, the agent will as a rule assume in his sales talk that the policy can be written only for the larger amount. As a matter of fact, the insurance law of the Dominion prohibits discrimination of this kind, but nevertheless the criticism is levelled, that by quoting the policy on a higher basis, the policyholder is led to believe that the policy is only written for the larger amounts, and that accordingly there is unfair discrimination against the man who cannot afford the higher amount of protection.

Whirl of Competition

Another form of discrimination some see in the new rates, is against the policyholder who buys or carries the more expensive forms of protection. The question is asked that if this type of low-cost policy is so much superior to the dividend-loaded plan, why then are not all insurance contracts based upon this low-cost system. Again it is claimed that in the whirl of competition to pay good dividends on this low plan, there will be a temptation to unfairly load the more expensive plans in order to show exceptionally good results on the cheaper plan.

The reply that has been made to these criticisms is in the first place that some people prefer to combine investment with protection, and therefore there will always be a certain demand for the more expensive plans. And secondly, that as far as making an unfair charge in favor of one type of policy, the insurance authorities either in the provinces or at Ottawa, are able to keep a fairly close check against the companies to prevent such unjust discrimination.

Mortality Point of View

Another form that criticism of the new policy takes, is that as far as the business man being a better risk than the average policyholder, he is, if anything, an inferior type from the mortality point of view. According to some actuarial opinion the heavy demands of modern busi-

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BESCO WAGE DISCUSSION PROGRESSES

See No Difficulty in Arranging 1928 Contract

SET FURNACE RECORD

Two Blast Furnaces Reach Peak of Production—Seek Orders for the "Scotia" Plants

From Our Own Correspondent

SYDNEY.—With enough business in sight to carry it well through the winter, the Dominion Iron and Steel plant of British Empire Steel Corporation continues to operate full time and recently broke two blast furnace production records.

Excellent progress is being made with the Dominion Coal-U.M.W. negotiations for a new wage contract to replace the one expiring February 1, 1928.

Look For Peaceful Settlement

Nothing official will be given out until the tentative contract is complete and ready to be submitted to a referendum vote of the rank and file of the union, but from a sure source it is learned that there are likely to be few difficulties and the present indications are all for a peaceful settlement.

Although the conference has been in session for less than two weeks, agreement has already been reached on the multitudinous sections dealing with "working conditions." The method followed has been to take the old contract as the basis of negotiation, letting many sections stand in their entirety and dealing clause by clause with those in which the men ask changes.

Now Down to Wage Rates

Quite a number of amendments have been requested by the U.M.W. convention that met here recently. Some of these have been acceded to by the company. Others have been regarded as impracticable or unworkable, and it is understood that the U.M.W. officers have in some cases agreed that they were so.

The conference is now understood to be down to the question of wage rates, and it is thought that even here there will be no serious difficulty.

The union's first demand was for an amount equivalent to 10 per cent. for all datal workers to be applied exclusively to men now receiving less than $5 a day, involving a payroll increase of approximately $500,000 a year.

Later this "asking price" was increased to 20 per cent. for men below $4, 15 per cent. up to $4.75, and 10 per cent. for men above that datal rate and contract miners, involving $1,800,000 a year.

Make Some Concessions

It is known the company is financially unable to meet these latter demands, but feels it can make some concessions to the low paid men under $5, and it would not be surprising to see the tentative contract concluded about on the basis of the first demand by the U.M.W. policy committee. In that event it is believed the referendum will result in an overwhelming majority in favor of the contract.

Coal production is quiet at present, but in a few weeks work will commence on the banking of approximately 700,000 tons of coal against the opening of St. Lawrence navigation.

New Furnace Record

Getting back to steel production, in November No. 1 produced a daily average of 514.7 tons of iron, as against the best previous high output of 490 tons attained earlier in 1927.

In December, No. 4 blast furnace turned out a daily output of 251.4 tons, which is about 10 tons a day better than any previous mark.

The output of No. 1 in November was about 25 per cent. higher than 1924, which was also a high production period.

For one month between now and May the rail mill will work single shift, but for the rest of the time it will be double shifted. The single turn month will be caused by putting No. 4 blast on pig iron production.

Now 2,700 Men Employed

The situation is helped somewhat by a C.N.R. order for 10,000 tons of high carbon tie-plates, the first of the kind ever turned out here, and made necessary by abandonment of the "A" type rail. The staff at present is 2,700 men.

While the Sydney end of the Besco steel business is enjoying moderate prosperity, the Trenton plant is practically idle and it is stated that some hundreds of mill workers there are almost in a state of destitution. The Sydney Mines plant, closed at the time of the merger in 1920, probably will never re-open for production of iron and steel except in the event of another world war.

Still Have Hopes

But Trenton has not lost hope of getting the Scotia property revived, and with the backing of New Glasgow and other centres throughout Pictou county, a committee of nine prominent citizens has been appointed to interview the provincial and federal government, Besco and the C.N.R., with a view to getting a share of whatever work may be available.

"We want work, not charity," was the attitude taken by the steelworkers at a mass meeting in New Glasgow a few days ago.

An order for 1,300 tons of rail fastenings—spikes, bolts and nuts—has been received from the Canadian National Railways, with the proviso that the work be done at Trenton, but this is not sufficient to keep the mills going for any length of time.

CANNERS SECOND IS MOST POPULAR STOCK IN TRADING

Issue Gains Most Attractions as Speculative Investment

Most of the trading in Canadian Canners stock has been in the second preferred, which appears to many observers as the issue offering the most attractions as a speculative investment. The new first preferred also has shown some signs of stiffening prices, but the volume of offerings so far indicates that the bulk of the stock is not yet in the strong boxes of investors. There it belongs, as it is a 6 per cent. cumulative issue, on which the company invariably should be able to pay full dividends.

The second preferred, on which 80 cents will be paid in dividends in the current year, is convertible into common stock on a share for share basis. Conversion, of course, will not be profitable until the common stock is receiving an equal dividend. This may be considered a long way off, but it may arrive comparatively soon if the country continues to prosper and the same financial control and management is retained.

Continental Oil Stock Rises Several Points

Continental Oil, in which there is a substantial Canadian interest, and which is traded on the Toronto curb, recently has moved up several points, perhaps on the revival of a report that the company would acquire another company in the Middle Western States.

Whether or not this is true, Continental Oil is picked by competent persons as an oil stock which is likely to be one of the earliest to recover from the depression which has afflicted the oil stocks in the United States for several years. It is pointed out that the company is a large one with an excellent business as a refiner and distributor in New England.

ALGOMA STEEL CO. PLANNING TO ADD SEVERAL NEW LINES

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vate interests would be allowed to develop the power, and that left the steel company in a position where it didn't know where its additional power requirements were coming from.

Diversifications Planned

We further attempted to find out from the Hydro Commission just what our position would be if Hydro came in, and we were unable to obtain any excess from them. In view of the fact that the Algoma Steel Company have under consideration further diversifications of its steel and iron commodities, and, inasmuch as power is a big factor in those proposed diversifications, which would involve the construction of new mills and developments which would run into $10,000,000 or $12,000,000, it left the steel company "in the air" in so far as its power requirements were concerned. We have certain engineering features involved in this matter, namely, that, being adjacent to Hydro-electric power, we saw an opportunity of working out what we call a thermal balance; that is, we would only have to bring in enough coal to make coke for our blast furnaces, and gases and wastage from any subsequent operation would furnish the necessary fuel for the melting of our steel, and the reheating, which meant that we would be able to, say, bring into the Sault at least 150,000 tons of coal less a year, which we consider an important thing to do, inasmuch as that 150,000 tons of coal saves anywhere from three-quarters to one million dollars that went across the line and to the transportation units on that side. If Hydro, with its uncertainty, comes, it will compel us to readjust our plants and eventually compel us to build a power unit of our own, as we know that with the utilization of these waste gases and waste heat we can generate the power cheaper than the Hydro.

If the Hydro becomes a certainty in the Sault, then the steel company as its power contracts run out with the power company will necessarily be compelled to erect its own power units, and drop the contracts as they run out that are existing with the present company.

Tariff Board Application

We have up before the Advisory Tariff Board of the Dominion government an appeal for increased protection on certain steel commodities, which was lately reduced to three specific items, one being alloy steels; second, spring and axle steel for automobiles, and, third, one which we consider of extreme importance to us, the additional protection on structural steel sections over and above 33 pounds per yard. We have a definite proposal before the government to-day that if it will give us the same protection on these heavier sections as it gives us on the lighter sections we will immediately undertake to extend our facilities to permit our mills to roll sections up to and including 15-inch eye-beams and channels, and these facilities will be placed in operation six months after the government puts its stamp of approval on our appeal.

This is one of the first and most important steps in the rounding out of the manufacturing of the steel commodities that are required by the Dominion, and which involves an expenditure of from $10,000,000 to $12,000,000. This should be very carefully considered on account of the fact that the United States Steel Corporation to-day have very definite plans for the extension of their facilities at Ojibway, which is adjacent to Windsor, and that the Steel Corporation contemplate putting in units which will be a duplicate of the units the Sault contemplates installing, but not with the basic pig iron and ingot production back of it. This means that the United States Steel Corporation intend to use their blast furnaces and open-hearth furnaces and primary mills of their plants that are adjacent to the Great Lakes to furnish the raw material for the finishing units that they contemplate installing at Ojibway.

Competition With Canada

This means that the adjacent facilities of the mills in the United States, with their large production and low cost capacity, will be brought into competition with the established basic steel industries of the Dominion, namely the Sault, Hamilton and Sydney.

Anything that tends to disturb our position and our fight to maintain our position as a basic industry in this Dominion only helps to establish the supremacy of the American mills.

These extensions would mean, in round figures, $2,000,000 a year in wages.

If the people of the Sault will stand behind us in our endeavor to work this thing out it means that the shut-down periods of the plant from time to time will be ironed out, and we will be able to assure the people in the Sault continuous employment.

If the Hydro is introduced into the Sault with its uncertainty, it destroys all the work that we have done in the last five years.

BATHURST COMPANY TO BE RE-FINANCED

Power Corporation to Make Study of Company's Power Holdings

From Our Own Correspondent

MONTREAL.—It is understood that new financing by the Bathurst Company will be carried out within the next four or five weeks. The company was acquired recently by Nesbitt, Thomson and Company interests at a figure which netted the common shareholders $105 per share.

The price at which Bathurst changed hands places a value of some $10,283,000 on the equity in the property which is preceded by a bonded debt of some $2,757,000.

The Power Corporation of Canada is to make a study of the company's power holdings for the present owners. In the meantime, Bathurst has on order another 75 ton newsprint machine for which power will probably be supplied by a new power plant to be erected under the supervision of the Power Corporation.

Ultimately it is expected that Bathurst will go ahead with a construction program involving the erection of a new 50,000 h.p. hydro-electric plant on the Nepisiguit river, with which will be coupled the erection of a new 200 ton newsprint mill. The strength of the Bathurst company lies in its extensive and valuable timber limits.

The fact that the Power Corporation of Canada will carry out and supervise any hydro electric development means something to the shareholders of the Power Corporation. The more construction jobs which the corporation obtains, the larger will be its earnings. The Power Corporaton, of course, is not in the construction business, but it derives a revenue both from directing the construction and the administration of power properties.

Shawinigan Stock Increase May Hinge on Quebec Power

From Our Own Correspondent

MONTREAL.—Those who feel that the increase to be authorized by Shawinigan in its stock indicates the issuance shortly to the shareholders of valuable stock rights, have overlooked what appears to be a significant point. The Shawinigan shareholders are authorizing the directors to increase the outstanding stock by 400,000 shares—a figure which coincides exactly with the number of common shares which the Quebec Power Company has outstanding. Thus, it is possible that the Quebec Power Company shareholders will be offered an exchange of stock par for par with Shawinigan.

At the present time, Shawinigan owns more than fifty per cent. of the outstanding stock of the Quebec Power Company. If the management of the holding company decides to offer such an exchange, it would mean that Shawinigan would obtain the complete ownership of the Quebec company and, at the same time, would hold more than 200,000 of its own shares.

Shawinigan may or may not absorb the Quebec Power in the not distant future, but the fact remains that the proposed increase in the outstanding stock of Shawinigan corresponds exactly with the number of common shares which the Quebec Power has outstanding.

In the meantime, the management has made no announcement regarding how, when and in what amount the stock issue is to be authorized which would give the holders of the shares any idea of jut how, when and in what amount the new stock will be distributed.

ANOTHER MERGER

With the sanction of His Majesty's Treasury, the Bank of Liverpool and Martins, has entered into a provisional agreement with the Lancashire and Yorkshire Bank for the amalgamation of the two banks. The title of the combined banks will be Martins, Ltd., and the head office will be at Liverpool, with a district head office at Manchester. The Bank of Liverpool and Martins is the largest provincial bank in the British Isles. It has over 400 branches.

INTERNATIONAL POWER EARNINGS SHOW RISE AS SUBSIDIARIES GROW

(Continued from page 1)

tional campaigns have been launched to indicate the extensive uses to which electricity may be put. The results obtained have been a matter of much satisfaction. Thus in the case of the Bolivian Power Co., and the San Salvador Electric Light Co., the plants are now operating at load capacity, and the possibilities of the development of further hydro power sites are being investigated.

International Power has out-standing $5,000,000 7 per cent. 1st cumulative preferred stock, $2,000,000 6 per cent. 2nd cumulative preferred, and 110,000 shares of common stock of no par value. Dividends on the 2nd preferred are cumulative from March, 1927. No dividends have been paid on the common stock to date, nor is there any likelihood of this being done until International Power's operating subsidiaries have been further developed to take care of their markets, and have established themselves on an earning basis that would justify such action.

Long Hold Investment

The common stock of International Power is now selling around $40 a share, and as an investment for a long hold it would seem that it is not selling out of line at that price. The history of the company's progress since its organization would indicate that these who are willing to wait will be amply rewarded for their faith in this stock.

The International Power Co. was organized in 1926 to acquire as a holding, or operating company, the ownership or control of electric light, power and utility undertakings in Central and South America, the West Indies, and elsewhere. Each of the companies in which it is interested has expanded during the year, and the prospects for increased power consumption and greater earnings appear bright.

Porto Rico Railways

A report of the progress of the different companies in which it is interested follows:

The Porto Rico Railways Co. through its subsidiaries, the Porto Rico Railway Light and Power Co., and the Porto Rico Construction Co., controls the entire street railroad and lighting systems of San Juan, San Turce and Rio Piedras and the lighting system of the eastern part of the Island of Porto Rico. It also operates a steam railroad some 18 miles long connecting Rio Piedras with Caguas.

The company operates two hydro-electric plants at Comerio with combined capacity of 8,000 h.p. and an auxiliary steam plant at San Juan. Its number of light and power customers now total 34,150. A new general office building which was urgently needed, has just been completed and forms a valuable addition to the company's assets. It is understood that the company is investigating additional water power sites and the possibilities their development would afford in meeting the increasing demand for light and power.

Venezuela Power Company

The Venezuela Power Company furnishes light and power to the cities of Maracaibo and Barquisimeto, Venezuela. The company serves approximately 8,000 customers. During the year, it installed a new steam plant at Maracaibo. This is an oil burning steam turbine plant with two electric generators of 1875 k.v.a. each. The plant is a most modern one and has been designed to effect great economies in the cost of operation. It has also been so designed as to permit further expansion as desired. The company has experienced a steady increase in business and the growth of power demands indicate that further extension to its power plant will be required and that its capacity will probably be doubled at an early date. Maracaibo is the fastest growing city in the north of South America.

San Salvador Light

The San Salvador Electric Light Company operates light and power services in San Salvador and 16 adjoining municipalities in the Republic of Salvador. The company serves some 7,350 customers and its power plant is working at capacity. Power is generated by the means of two hydro electric developments with a combined capacity of 3,300 h.p. Increasing demands for power have necessitated the company investigating the possibility of additional power sites.

Newfoundland Light

The Newfoundland Light and Power Company has had a very satisfactory year. In the past twelve months its number of customers increased by over 10 per cent., and now total 6,025. The company furnishes electric light, power, and tramway service to St. John's, the capital of Newfoundland. It operates under a perpetual franchise which, however, is subject to the right of the city to purchase the property as a going concern in 1946. The company has increased the capacity of its hydro electric generating plant from 4,000 to 7,000 h.p. h.p. during the past year.

Demerara Electric

Demerara Electric Company acquired a 50 year franchise covering the electric lighting, power and tramway service for Georgetown, British Guiana, during the past year, and also secured a contract for the supply of power for the new civic water and sewerage systems. Construction of a new steam turbine plant is to be undertaken, which will result in more economical operations. The company serves some 3,500 customers.

Bolivian Power

The Bolivian Power Company operates the electric light, tramway and telephone services of La Paz, the chief city of Bolivia. It operates a 3,000 h.p. hydro electric plant, and plans are being prepared for the immediate installation of an additional unit of 2,000 h.p. The number of light and power customers served by the company exceeds 9,100.

Electric Light and Power

During the past year International Power secured control of the majority stock interest in the Electric Light and Power Co. of Oruro. This company supplies the electric light and power needs of Oruro, and operates under an exclusive franchise which runs until 1954.

Oruro is the third largest city in Bolivia and the commercial centre of that country's tin mining district. The city has a population of 40,000 and is growing rapidly because of the development of the mines.

Comparative Earnings of International Power

		1927	1926	Increase
Total Gross Earnings		$3.039,718	$2,699,074	$340,639
Total Operating Expense		1,702,295	1,631,842	70,453
Total Net Earnings		$1,337,418	$1,067,232	$270,186
Less: Interest Charges and Preferred Stock Dividends		398,990		
Bal. available for Reserves and Divds. on Common Stocks		$ 938,428		
Less: Proportion applicable to Minority Interests		162,632		
Amount applicable to International Power Co. holdings		$ 775,796		
Less: Interest on 6½% 30-year Debentures	$99,682			
Dividends on 7% First Preferred Stock	262,500			
		362,182		
Balance		$ 413,614		

RATE WAR LIKELY OVER NEW POLICY IN LIFE INSURANCE

(Continued from page 1)

ness cause the twentieth century business man to crack under the strain at or after the age of 50, which makes, it is argued, the question of more favorable mortality selection a doubtful one. This would therefore discount the theory, propounded by the low-cost companies, that the process of risk-selection among business and professional men would give a better and less-expensive risk.

Professional men cannot, of course, be all classed in the same box as the harassed business man, who leads a hectic existence with his eyes glued upon the ticker tape. Ministers as a rule are an exceptionally good risk, and there are other professions which should also be able to stand well above the average mortality table. Another point which seems to be in favor of the low-cost proponents, is that the type of business, financially, of this risk, should be good. There should not be the same loss through lapsation as there is in the average community.

A third plane upon which criticism is levelled by the high-cost enthusiasts, is that the business men do not want the cheaper type of protection. Insurance men in companies which sell business on the large premium plans, claim that the chief source of dissatisfaction among their policyholders, comes from those who have taken the low-priced policies in their youth.

Business Men's Choice

In other words the larger the dividends that a policyholder receives on his policies, the happier he is. Whether this element of psychology actually outweighs the dollar and cents point of view as propounded by the low-cost men, is perhaps a matter for conjecture, but nevertheless the point is well taken that the business man should at least have the opportunity to choose between these two types of participating policy, and it will probably be the results of his choice during the coming year that will to a large degree determine the future trend of premium rates.

As far as an insurance rate-war is concerned, it is pointed out that this lower-priced policy was first introduced into Canada in order to meet the competition of an American company which was writing business in Canada on this plan. This competitive spirit has, of course spread, so that now, with at least seven companies committed to the plan, many of the smaller companies will probably follow suit, leaving the few big companies which still favor the high rate, either to sacrifice business or eventually jump into the low-price swim.

EDITOR EXPRESSES VERY BEARISH VIEW ON BRAZILIAN CO.

(Continued from page 1)

stabilization of the currency of the country at a little less than twelve cents is a distinctly bearish factor and no benefits are admitted from stabilization itself, no matter what good effects flow from the betterment of internal conditions in Brazil through re-establishment of the gold standard.

Opinion Formed Long Ago?

On the whole, the article appears to take its color from an opinion formed in 1912 or thereabouts when these enterprises were grouped in the one company. Whatever inflation there may have been then, or however wise the opinion formed by an editor more than a decade ago, a critic of the administration, it might be said in answer, should be cognizant of the changes and betterments that have taken place, both within the company and in the territory served by the company.

It is said that $104,500,000 of ordinary shares were given on the formation of Brazilian Traction in 1912 in exchange for shares in the companies taken over, which only represented $13,500,000 in cash originally. The companies of which Brazilian Traction assumed control included Sao Paulo Gas, organized in 1869, with a capital of £350,000; Sao Paulo Trams, formed in 1899, with $10,000,000 capital; Sao Paulo Electric, incorporated in 1908, with $5,000,000 of capital stock; and Rio Janeiro Trams, formed in 1904, with $40,000,000 of capital stock. The critic of the 1912 transaction does not take into account any growth that might have taken place, even if $13,500,000 represented the cash originally put into the enterprises.

Vancouver Exchange Trebles Business

From Our Own Correspondent

VANCOUVER. — The value of shares traded last year in the Vancouver stock exchange was nearly three times that of 1926, the total being around $4,500,000.

This gives some idea of the growth of the Vancouver exchange's operations and the activity in coast mining shares, for this class of securities represents most of the business done here.

Perhaps the best indication of the exchange's increased activity is to be found in the rapid rise in the value of seats. Seats are now virtually unobtainable, and it is reported that an offer of $3,500 was recently considered. The last sale went through at $2,750, which represents a 500 per cent. increase for the present year.

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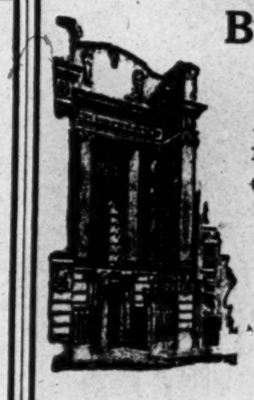

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MONTREAL TORONTO WINNIPEG VANCOUVER

I smiled when the butler spoke to Donovan in French —but I gasped with surprise at my friend's reply!

"Can you speak French?" I asked Donovan one day.

"Yes, indeed," grinned Donovan, who was one of the best salesmen in our office and who hated to admit there was anything he couldn't do. "I speak it like a native Frenchman."

I could hardly keep from laughing at the idea of Donovan speaking French. But I gave no sign that I doubted his word.

"Why you're just the man I want!" I exclaimed. "I'm going to call on Alphonse Leroux, the French perfume manufacturer, and I want you to come along and help me persuade him to sign an Advertising contract."

"Fine!" replied Donovan. "I'll be delighted!"

Donovan had the spirit of a true salesman. A mere matter of being unable to speak the same language as a customer meant nothing to him.

But I, on the other hand, was worried. I had been told that Alphonse Leroux could speak English. But if he couldn't . . . I shuddered at the thought! Donovan would be useless to me. And I would have to depend entirely on the smattering of French I had been taught in high school.

I was nervous when Donovan and I climbed the steps leading to Leroux's place on the Avenue. It was a fashionable place —a sort of combined residence and business office which the Frenchman used during his visits to Canada.

I rang the doorbell. Fervently I prayed that Leroux would be able to speak English. The door swung open and a butler appeared.

An Unexpected Shock

"Is Monsieur Leroux at home?" I asked in my friendliest manner, little expecting the shock I was to receive.

To my horror the butler replied in French! My heart sank.

"Of all things—a French butler!" I exclaimed to Donovan.

"Let me talk to him," whispered Donovan.

My friend stepped forward. "What did you say, my man?" he inquired of the butler.

The butler again rattled away in French. Donovan listened attentively, as if he were following every word.

Then Donovan Spoke up

When the butler finished, Donovan spoke up. To my everlasting amazement he answered that butler in fluent French! I could scarcely believe my ears! Donovan speaking French! It seemed incredible!

But his words had a magic effect on the butler, who suddenly blossomed into smiles, bowed low, and welcomed us into the house.

Half an hour later Donovan and I descended the steps in front of Monsieur Leroux's home. I was happy as a bird, for in my pocket was the contract, signed and sealed.

I slapped Donovan on the back. "You made a wonderful impression on Leroux!" I exclaimed. "Where on earth did you learn to speak French like that? Why . . . why . . .!"

Donovan laughed. Then he told me an interesting story.

How to Master French Without a Teacher

"Did you ever hear of the Hugo Language Institute?" he asked me.

"It's a School of Languages located over in London, isn't it?"

Donovan nodded. "It's one of the oldest language institutes in the world. They recently did a remarkable thing. Guided by their expert knowledge of language instruction—their years of experience in teaching languages—they put the secrets of their quick method into a set of printed lessons—a set of lessons anyone can study at home!

"That's how I mastered French. I took the Hugo French Course. That course is wonderful! It's called the 'At-Sight' method—and is far ahead of all the old-fashioned school methods. A short time ago I didn't know a word of French. Now I can speak French, read French, and understand spoken French.

"And I studied only in my spare moments. None of those tiresome exercises or classroom drills to do. It was fun. Everything was made so clear, so simple, so easy!

"Honestly, the Hugo 'At-Sight' French Course is a marvellous achievement in language instruction!"

This story is typical. You, too, can now master French at home—quickly, easily, pleasantly—just as thousands of others are doing by the celebrated Hugo "At-Sight" Method. Twenty-four fascinating lessons, carefully planned. The most ingenious method of acquiring French ever discovered. Whole generations of language-teaching experience in all the leading European cities are behind this French course.

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We shall be pleased to send you the complete course for five days' free examination. You have the privilege of returning it without cost or obligation, if you wish, or if you keep it send us $2.00 and $2.00 monthly thereafter until the full amount, $12.00,—a mere fraction of the cost of the ordinary mail order course —has been paid. Clip the coupon and mail it today. Remember, you start to speak French when you have read the first lesson. It is just like a child learning to speak English—it is nature's way and that is the whole secret.

Mail this COUPON TO-DAY!

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62 Front Street W., Toronto.
Please send me the Hugo "French-At-Sight" Course in 24 lessons, for free examination, and include the French-English Dictionary. Within 5 days I will either return the course and dictionary or send you $2.00 at that time and $2.00 each month thereafter until $12.00 has been paid.

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BELL TELEPHONE IN CONSTANT NEED OF NEW CAPITAL

Additions to Plant During Year Will Cost Some $22,000,000

MORE DIAL PHONES

New Head Office Will be Completed During Year—More Long Distance Lines

From Our Own Correspondent

MONTREAL. — Additions to the plant of the Bell Telephone Co., during the current year, will cost some $22,000,000, according to P. A. McFarlane, general manager of the company, in an interview in the current issue of the Bell Telephone's house organ, The Blue-Bell. This is an increase of nearly $4,000,000 over the 1927 figure.

Of this $22,000,000 expenditure, a portion will doubtless be supplied by new financing during the year. The remainder will come from profits and from reserves for replacements or maintenance. Just what the new capital requirements of the company will be in 1928 are uncertain; but judging from the $22,000,000 figure, new financing to the extent of at least $15,000,000 will be undertaken during the year. In round figures, the present capital structure of the company totals $40,000,000 in bonds and $60,000,000 in stock. Whether or not the shareholders will obtain further rights in 1928 depends on whether the company carries out its financing by issuing bonds or stock. Both types of financing might be carried out. Later on in the year, perhaps in the autumn, conditions may be specially advantageous for bond financing which would preclude the issue of new stock rights. Or, at the time the management give consideration to the financial requirements of the company, financing by the issuance of stock may be the most economic means of finding money to meet the steadily increasing capital requirements of this great public utility organization.

Need For Capital

In its steadily maintained and ever increasing need for new capital, the Bell Telephone Company stands unique among the corporations of the Dominion. Of course, the power companies have also shown an amazing growth, but the annual capital requirements of even the largest power companies are in no way comparable to the steady year by year capital needs of the Bell Telephone Company.

During the present year, the company will complete its new head office building and build important new long distance lines between some of the larger cities, as well as between some of the more rapidly growing municipalities. A substantial portion of this long distance expenditure will be in the form of a cable—99 miles of it appear in the company's program—including the Hamilton-Bridgeburg cable to be completed this spring.

The growth in the use of the instrument makes necessary new buildings and additions to present exchanges in Montreal, Toronto, Hamilton, Windsor, North Bay and Niagara Falls. The company now has 123,000 dial sets in operation in Montreal, Toronto and Quebec. The installation of further dial systems will continue steadily in 1928 in these cities.

At the present time, the company has a total of some 670,000 stations. In the current year, it is anticipated 40,000 new telephones will be placed in operation. This involves connecting about 135,000 phones and disconnecting about 95,000. In these last figures, some 50,000 estimated changes of addresses are included. The management regards the 40,000 new stations as an estimate which cannot fail to be attained during the year.

Long Distance Revenue

The company expects a satisfactory increase in its long distance revenue in 1928. Improvement is under way in the company's methods of handling and expediting long distance calls. This has already resulted in a speedier completion of connections, as well as an increase in the volume of traffic handled. During 1928 it can naturally be anticipated that there will be a more than proportional increase in the company's gross expenses as compared with the number of new telephones. Unlike commodities, the increased use of the telephone increases the cost per unit. Accompanying such an increase in maintenance, though, there is an increased value to each instrument because of the increased number of connections obtainable. It usually takes the company some time, though, to obtain increased rates from the Board of Railway Commissioners in keeping with the increased value of the instruments to the subscribers.

MIDWEST UTILITIES EXTEND WORK IN WESTERN FIELD

International Subsidiary Buys Alberta Plant Serving Drumheller

International Utilities Corp. have further extended their operations in Western Canada by acquiring control through the Midwest Utilities of the Union Power Co.'s plant and system at Drumheller. This statement has been made by C. J. Yorath, president of the Midwest Utilities Co., a subsidiary of International. No mention was made of the amount of money involved in the deal.

Located in the centre of an extensive coal field, the Drumheller plant has been supplying electric energy to consumers in that section. It is the intention of the new owners to make Drumheller the centre of distribution for electric power over a wide area, which will mean the extension of transmission lines to adjoining municipalities and various mines.

Midwest Utilities is also extending its transmission line from the plant at Vegreville to serve Mundare, La Mont and possibly other towns in the vicinity.

Extension is Planned for Charles Gurd & Co.

From Our Own Correspondent

MONTREAL.—A letter addressed by the management to the shareholders of Charles Gurd & Company confirms the fact that the directors have plans for extension and expansion under consideration and that the year just closed has been the largest in the history of the business since its organization. Each month of 1927 shows an increase over the corresponding months of 1926. The letter says that the forthcoming balance sheet, which will make its appearance in a few weeks, will be eminently satisfactory to the shareholders.

Outlook is Promising for Canadian Vickers

Company Has Large Orders from Government, Industrial and Mining Concerns — It is Possible to Pick Up Common Stock at About $25

From Our Own Correspondent

MONTREAL.—Not on its former record, but on its present position and promising outlook for the future, the common shares of Canadian Vickers looks like a satisfactory long hold purchase for a business man. More especially at the present time when seasoned stocks are selling at a level which discounts to a great extent the future earning power of the leading and better known corporations.

Some of Canadian Vickers stock was given as a bonus with the issue of preferred offered publicly a month or two ago. Ten shares of preferred carried a bonus of two and a half shares of common. Fractional common shares were adjusted at that time at $25 per share, and at the present time it is possible to pick up the common stock at about the $25 figure. Most of the issue, though, is closely held and while ultimately the common may be listed, it is only possible for the investor to pick up the odd lot which changes hands between brokers from time to time.

The company changed hands and was recapitalized last summer. On its present capitalization, earnings during the depressed period of the past few years have apparently been around about a dollar per share per annum on the common stock. It is impossible to obtain any official information regarding how the income account of the company will be drawn up this year, but as far as can be ascertained, it seems that earnings for the 1927 year will amount to approximately $3 on the common. However, exactly how much Canadian Vickers will show on its junior security depends, of course, largely on just how conservative bookkeeping methods the management adopts.

Some weeks ago, though, it was announced that earnings of the company, excluding the annual government subsidy, applicable to interest, depreciation and income tax, would amount to around $516,000 for the current year. It can be taken for granted that this figure is conservative for no reputable management such as that behind Canadian Vickers would permit the publication of an optimistic forecast before the conclusion of the year. Thus, it is possible to draw up beforehand an approximate picture of how the company's 1927 income account should appear when it is published early this year. The following figures, therefore, should provide the investor with at least some knowledge of the position of the company.

Estimated Earnings of Canadian Vickers for the Year 1927

Net profits	$516,000
Government subsidy	105,000
	$621,000
Bond interest	165,000
Preferred dividend	119,000
Depreciation at 3%	180,000
Income tax	19,000
Application to common	$138,000

These figures do not, of course, take into consideration the fact that the preferred dividend only dates from August, so that the amount to be appropriated to preferred dividends would be some $50,000 less than that given above. This would raise the amount applicable to the common stock to $188,000, and as the company has outstanding 50,000 shares of common stock, the earnings will amount to at least $3 on the shares. Incidentally, it is probable that these figures represent a very conservative estimate of the earning power of the company. The earning figures lend some attraction to the common shares of Canadian Vickers, but there are other investment features which make the shares an interesting possibility for a business man.

That there has been a substantial increase in earnings this year is certain. Then, again, the company now has a Canadian directorate composed of men of integrity, and high standing in the business field. They can bring business to the company's plants if any one can. Formerly, because Canadian Vickers was owned entirely in Great Britain, the company, particularly in its structural and engineering departments, played second fiddle to similar companies which were owned by those whose other business interests brought business to their companies. This is all changed and Canadian Vickers has had large orders from the Government, the International Paper Company, Dominion Textile, Montreal Cloak & Mfg., National Cement Company, Mond Nickel, Price Bros., St. Lawrence Paper, Laurentide, Imperial Oil, Canadian Celanese, St. Anne Pulp and Paper, Hollinger Mines and the Dominion Steel Corporation. The fact that the company has obtained these orders indicates that for the future it should be able to obtain its share, and perhaps more than its share, of the business offered.

The capitalization of Canadian Vickers is as follows:

6% bonds	$2,750,000
7% preferred	1,700,000
Common (no par value)	50,000 shs.

Commencing 1930, there is a sinking fund on the foregoing bond issue of two per cent. per annum. Until 1949 the company will receive an annual subsidy on account of its dry dock of $105,000 from the Dominion Government.

The last published balance sheet shows the position of Canadian Vickers at the close of February of last year. At that time, the fixed assets were shown on the books at $6,105,000. This is a conservative figure. Current assets amounted to almost $2,000,000, as against current liabilities of only $761,734. In the liabilities, the common shares and the surplus are carried in the one account at a figure of $2,617,373. This gives a book value to the shares of over $52.

The company's activities may be divided into four departments: marine, aviation, structural steel and industrial engineering.

The ship building end of the company's business usually experiences a decided slump during the winter months, but this has not been the case this season, as the company has on hand and is working on marine orders totaling $700,000. This includes the building of a large dredge for the department of Marine and Fisheries at a cost of approximately $400,000. A work boat and salvage vessel is also under construction for the Foundation Company at a cost of about $160,000. Other orders booked for tugs, scows and other small craft bring the total up to $700,000.

It was anticipated that the company might have secured some of the contracts for the new Canadian Government Marine ships designed for the West Indies service, but these were all placed in England, and the company at the present time has no capital ships under construction.

The aviation department has been doing an exceptional business this year, and the orders booked have proved of a satisfactory volume having regard to existing circumstances. The probabilities are that the aircraft construction will prove continuous, even though on a small scale. Moreover, aviation is to play a larger part in the Dominion, both in defence and in an industrial way. The government is encouraging the air force, and has ordered aeroplanes. The use of the aeroplane for timber cruising and mapping is steadily on the increase. Its value as a means of transport to the hinterlands of the Dominion has already been proved.

The structural steel department has received a fair volume of business at satisfactory prices.

Orders booked by the industrial engineering department have proved excellent. There is every prospect of the company steadily expanding its activities in these last two departments. Moreover, as has been said, the board of the company is such that for the future, it is certain that Canadian Vickers will get its share of the structural steel and industrial engineering business offered in this country.

The transformation of the company from a straight shipbuilding concern into the varied activities it now embraces, has resulted in a betterment in the company's business and earnings. This is reflected by this year's total business which up to the end of November showed an increase of approximately 40 per cent. The improvement is also shown in the fact that this winter the company has a force of from 750 to 800 men at work. The winter months in the past have been slack seasons, and the number of employees has naturally been considerably reduced during this period.

BETTER BUSINESS INCREASES PROFITS OF HOLT RENFREW

Company's Strong Liquid Position Has Undergone Betterment During Year

From Our Own Correspondent

MONTREAL.—The fiscal year of Holt Renfrew Company ends at the close of this month when, it is understood, the company will show a satisfactory increase in earnings. Holt Renfrew, in common with most other mail order, departmental and retail store organizations, has enjoyed excellent business during the past twelve months and it is understood that the company's already strong liquid position has undergone a betterment during the year. There seems to be a possibility that the company will initiate dividend payments on its common shares. Both the preferred and common are listed on the Montreal Stock Exchange, but the trades in the shares are few and far between. In 1923 Holt, Renfrew paid no dividends on its preferred, but the disbursements were resumed again on April 1, 1924.

Great Northern Water-Falls

Hidden within the recesses of Canada's north country, less than fifty miles from the important trading post and mission station of Hay River on Great Slave Lake, but sufficiently off the regular routes of travel to have been visited by only a mere handful of white men, are two of the most wonderful cataracts in the Dominion. These are the Alexandra falls and the Louise falls, situated within about a mile of each other on the Hay river.

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Then, with post-war development, came in quick succession branches at Kirkland Lake, 1918, Matheson, Hearst and Sioux Lookout, 1919, Kapuskasing, 1920, Connaught Station, 1922, and Elk Lake, 1926. A fifteenth branch, at Noranda, was added in 1927.

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Canadian Vickers Build Six Planes

From Our Own Correspondent

MONTREAL.—Construction of six Fairchild "all purpose" monoplanes has been begun by the Canadian Vickers Limited. The planes are being constructed under an agreement entered into with the Fairchild Airplane Manufacturing Corporation of Farmingdale, Long Island. The two companies have entered into an arrangement whereby planes of Fairchild design will be built in Canada by Canadian Vickers, and planes of Vickers design will be built in the United States by the Fairchild company. Each company has agreed to furnish service and parts for planes of both types.

Canadian Vickers is to undertake in the near future, the manufacture of all-metal, two-passenger monoplanes. It is stated that the reciprocal arrangement entered into between the Canadian and American airplane manufacturing companies will contribute largely to the development of commercial flying between Canada, United States and Mexico.

CONVERSION RULE TIES UP MUIRHEAD PREFERRED STOCK

Secretary is Not Always Available During Office Hours

A large number of preferred shares of Muirhead's Cafeterias, Ltd., have been deposited with the secretary of the company, H. M. Millar, for conversion into common shares on the basis of five shares of common for four of preferred. The conversion date is March 1, 1928, but as the by-laws of the company require 60 days notice, the certificates had to be deposited on or before December 31. An advertisement to this effect appeared in the Toronto daily papers on Friday, December 30.

Up to March 1, 1929, the preference shares are convertible into common on a share for share basis. As 60 days notice again will be required, the holder of preferred shares must determine whether or not he wishes to convert on or before December 31 next. The preferred stock is redeemable at 115 per cent. of its par value of $10.

The by-laws of the company prescribe the method of conversion, about which there are criticisms by brokers and private holders of the stock. It is suggested that the certificates might reasonably be deposited with the transfer agent and registrar, which is the National Trust Co., rather than the secretary of the company. Apparently, there is no one authorized to act in Mr. Millar's place if, for any reason, he is not able to attend to the duties of his office. Moreover, the post of secretary of this company is only a part-time job and messengers who sought him at the head office of the company on Adelaide Street, Toronto, last week, did not always find him there. He has another office on King Street West.

Stock in process of conversion is tied up for 60 days. If the holder wishes to sell in this period, he will not be able to deliver the certificates, as the new common certificates will not be issued by the company until March 1. This is in contrast to many other companies, which will issue new certificates without delay. In the case of shareholders who wished to convert only a part of their holdings of preferred, it was necessary for them to have the transfer agents split the certificates if the portion of the holdings not to be transferred was not likewise to be tied up with the secretary's office for 60 days.

The capitalization of Muirhead's is $500,000 of preferred stock of $10 par value and 50,000 shares of common stock. There is a provision that before conversion of preferred shares becomes effective, the directors shall cause to be placed in the capital account a sum sufficient to maintain the $500,000 capitalization set forth in the letters patent. This provision may have been the reason for the requirement of 60 days notice, with deposit of the stock, but it is believed that some other arrangement could have been made in order that shareholders might not be inconvenienced.

Shawinigan Water Completes Best Year in Company's History

Gross Earnings Show Large Increase Over Year Ago — Additional 50,000 h.p. Unit to be Installed at Falls

From Our Own Correspondent

MONTREAL. — From all angles, the situation now surrounding the Shawinigan Water and Power Company is probably as satisfactory as it has ever been in the history of the organization. As the novelists say, the situation is pregnant with possibilities. The company has just completed the best year in its history. The gross earnings show a large increase over a year ago and, therefore, it can be expected that the net applicable to the common shares will also show a satisfactory increase as compared with 1926.

Although Shawinigan lately increased the amount of power which it has available for distribution by 100,000 h.p., purchased under long term contract from the Duke-Price plant, the demand for energy from the company's lines has been such that Shawinigan is to instal an additional 50,000 h.p. unit in its No. 2 plant at Shawinigan Falls. Work, preliminary to the installation of the new unit, is now under way and the additional installation will be ready for operation by the close of the year.

Shawinigan's two industrial subsidiaries, the Canada Carbide Company and the Canadian Electro Products Company, have been doing a steadily expanding business and are now being amalgamated under the name of the Shawinigan Chemicals, Limited. In addition, it is understood that the capacity of these plants is to be nearly doubled. Work on this expansion has already begun.

The Shawinigan Water & Power Company's management has made no official announcement regarding where the increased output of these plants will be sold, but there are many mysterious rumors in circulation among those with some knowledge of the company which indicate that negotiations are now in progress and nearing a successful conclusion which will result in placing these industries in an even more satisfactory position than they now occupy. There is no doubt that some satisfactory deal is under way which concerns the operations of Shawinigan's subsidiary electro-chemical companies. As far as can be gathered, the parent company has no intention of selling these valuable properties and the complete ownership of the Shawinigan Chemicals will, as in the past, remain entirely in the hands of the parent company.

The time for the disposition of the Carillon power site by the government fast approaches. It is now conceded that Shawinigan and its associated interests will obtain the right to develop the power site on the Ottawa. With all these developments, it seems probable that the shareholders of Shawinigan will benefit by the issuance of valuable rights in 1928.

The steady improvement in and strengthening of the company's position is reflected in the recent notice to shareholders calling a special general meeting of the stockholders subsequent to the annual meeting in February, when the shareholders will increase the capital stock from 1,200,000 common shares to 1,600,000 common shares, and will authorize the directors to issue the additional stock at their discretion. If the additional 400,000 shares to provide for the company's capital expenditures be offered in one block, the shareholders would be entitled to subscribe to one new share for every three held.

It is to be doubted, though, whether the management will decide to issue the additional 400,000 shares in one block, but in any event, it appears certain that the next few months will witness the issuance of valuable rights to the shareholders.

Chairman is Optimistic on British Controlled Oil

From Our Own Correspondent

MONTREAL.—At the annual meeting of the British Controlled Oil Fields, W. J. Henderson, the assistant secretary, acted as chairman of the meeting, and outlined the position occupied by the company. His remarks, which were more or less of an optimistic character, he concluded as follows:

"In conclusion, I am of the opinion that, given a reasonable time for the full development of the policy outlined, and the return of the world price of oil to a more remunerative figure, British Controlled will not only refute the hasty pessimisms of the past eighteen months, but go far to justify the high hopes previously entertained of its future."

Strong buying of International Utilities "B" has been coming from Canadian centres recently. This stock was formerly chiefly traded in on the New York Curb.

Another $5,000,000 of Canadian gold has gone to New York, bringing shipments since December 1 to $10,500,000.

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The Beverage Industry

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January Market Letter

Canadian Industrial Alcohol, National Breweries, Gurd's, Seagram's and other securities are analyzed and their progress described.

The same issue tells of the tendency in the industry which has resulted in so many firms, once privately owned, being incorporated into limited liability companies with public participation in their securities.

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This Year's Report from Imperial Oil Will Tell Little

Forty-Year-Old Policy of Secrecy Slow to Break Down

COMPANY DEFENDS

Foresees Disadvantages to Shareholders From Publication of Figures of Earnings

Annual report of Imperial Oil, Ltd., as given to shareholders generally, will contain little more information than was contained in the annual report for 1926. This company is one of the few important companies remaining—at least of those in which there is substantial public investment—which do not give shareholders full information, with a copy of the balance sheets. However, it is noticeable that each year brings a little more general information and it would not be surprising if, eventually, the habit of 40 years will be overcome by granting the shareholders of Imperial Oil what is accorded the shareholders of most other companies as a matter of course.

Defense of Policy

The main defense of the company for the policy of secrecy is that shareholders have never suffered from it, and that publication might hamper activities of the company in South America. There might be, also, an unjustifiable increase in municipal taxation in some parts of Canada, it is intimated.

Those who are inclined to criticize the policy of secrecy may answer, however, that South America politicians are becoming convinced of the folly of confiscation, and that there is relief in law from unjust municipal taxation in Canada. In the long run, it might be added, the company and its shareholders will suffer if it is escaping just taxation in Canadian municipalities by reason of the fact that earnings are not known by the public in general.

Another reason that has been cited in justification of the policy of secrecy is that earnings in some years have not been high enough to warrant the then prevailing or at present existing stock prices, and that unwise sales might have resulted. It is said that the earnings of Imperial Oil in certain years have been so low that the ignorance of shareholders was bliss for them.

Price Endorses Executive

There is an inclination, also, on the part of some officers of the company to resent suggestions for publicity as an intimation that the company is not being administered with integrity. This, it is evident, is a mistaken impression, for the continued strength in the stock in spite of the secrecy maintained, is the strongest kind of endorsement of the administration.

The distribution of gasoline and many other products of crude oil in recent years has assumed the complexion of a public utility. This indisputable fact probably is the best reason that the company should be open handed with complete and specific information. Most of the troubles of the utilities are traceable, it can be asserted, to an old-fashioned habit of disregarding public opinion. While it is a fact that some excellently managed and honestly administered utilities are the object of unjustifiable attack, it is perhaps generally true that those who enjoy the most friendly relations with the public are those which for the longer period have been frank and open in their attitude and relations with the public.

Under Regulation

Unfriendliness on the part of the public, fostered by demagogic politicians, has been the principal reason that utilities have been often unable to get adequate rates. If the oil companies came under public service laws—a possibility not wholly remote—secrecy as to the actual financial position would not assist in maintaining prices which would give shareholders reasonable returns on their investment.

Improvement Expected in Alberta Pacific

Liquidation of a comparatively large block of the common stock of Alberta Pacific Grain Co. probably accounts, in the opinion of several brokers, for the recessions in prices which have been very noticeable in the last week or two. Alberta Grain three weeks ago was above 55, but has been sagging fractionally since on profit-taking by holders who acquired the stock in the twenties.

The stock still has friends, who see a stronger market now that the block in question has been nearly all distributed. The company is reported authentically to be earning at between $10 and $12 the share for the current fiscal year, compared with $3.54 for the year ended last June 30th.

Canada Northern Power Spending Three Million on Various Extensions

Company is Augmenting Its Power and Line Capacity

TWO NEW UNITS

Many New Volt Lines Under Construction — There Has Been Steady Extension of Power

From Our Own Correspondent

MONTREAL.—The Canada Northern Power Corporation is now spending about $3,000,000 on various extensions to the property, to take care, not only of present, but of future needs. It is augmenting its power and line capacity in all directions where the demand for power appears to be increasing. A 44,000 volt transmission line from Indian Chute to Kirkland Lake has recently been completed; a 110,000 volt line from the Quinze plant to Kirkland Lake is now under construction a fifty-five mile 110,000 volt line from the Quinze plant to Rouyn, Quebec, and a 12,000 volt distributing line to various properties in the Rouyn district have recently been completed. The installation of a 4,250 k.v.a. frequency charger in Kirkland Lake, as well as the installation of two additional 10,000 h.p. units at the Quinze plant is now under way.

There are now two 110,000 volt circuits extending from the Quinze plant to the sub-station in Porcupine, a distance of about 123 miles, and from this line a branch is extended from a point near Elk Lake to the Gowganda silver area, a distance of approximately twenty miles.

The corporation controls the power supply in the mining districts of Northern Ontario and Northwestern Quebec, and the present expansion program is linking the various plants and transmission lines into one inter-connected system so that extra loads in one section may be borne by the whole, and water shortages at one plant may be met by supplying energy from others. There has been a steady extension of the utilization of power as against man-power in the North over recent year. Since the Canada Northern Power Corporation consolidated the various power resources in the mining districts, the power shortages which seriously interrupted production, particularly in Porcupine, five years ago, have been unknown.

Member of Exchange

HARRY G. STANTON, who has just been elected a member of the Toronto Stock Exchange.

Mr. Stanton, as president of the Orthopedic Hospital, Toronto, member of the Council of the Board of Trade, and past president of the Rotary Club of Toronto, has been in the public eye for many years. He was formerly general manager of R. S. Williams & Sons, musical instrument manufacturers and retailers, Toronto.

Fisheries Leading Position

Canada's fisheries carried on in the waters of two oceans, the Atlantic and the Pacific, and upon a system of great lakes and inland waters, stand in both quantity and value among the leading fisheries of the world.

Public Utility Earnings

International Power Co.

Nine Months to Sept. 30—	1927	1926
Gross	$3,039,713	$2,699,074
Operating expenses	1,702,295	1,631,842
Net	$1,337,418	$1,067,232

Barcelona Traction

Nov.	1927* Pesetas	1926 Pesetas	Increase Pesetas
Gross earn.	7,943,625	7,502,837	440,788
Oper. exp.	2,296,638	2,418,513	†121,875
Net earn.	5,646,987	5,084,324	562,663
Aggre. gross from Jan. 1	79,134,194	76,045,996	3,088,198
Aggre. net from Jan. 1	54,901,572	51,002,506	3,899,066

†Decrease.
*These figures include the earnings of the newly acquired Gas Company de Mataro.

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GREAT LAKES BEGINS TO PLAN POWER PLANT

Victory at Polls Brings Prompt Action of Soo Company

Investigations and surveys will be proceeded with immediately, with a view to the development of 25,000 horsepower on the Montreal River, by the Great Lakes Power Co., according to an announcement by J. A. McPhail. It is estimated that the work of construction will require two years and $2,500,000.

So far no plans have been developed for any further financing which may be required.

Incorporated in 1911, the company hold from the Ontario government the right in perpetuity to use 20,000 cubic feet of water from the Canadian side of St. Mary's River. The original property, consisting of one power canal, was acquired from Algoma Steel Corp. To this has been added a second canal, giving a total capacity of 39,200 horsepower, of which 11,000 horsepower is hydraulic. The Lake Superior Corp. is the largest single customer, its contract being for 11,000 horsepower.

Had Long-Term Contracts

For many years the city of Sault Ste. Marie has been supplied with power by the Great Lakes Company, originally owned by the Steel Corporation, but sold to raise money with which to make munitions during the war. It has long-term contracts with the two chief industries here, the steel and paper mills. It sells power to the city at $22 per horsepower, which the city through a public utilities commission retails to the citizens. The company pays $50,000 a year in municipal taxes. The city makes a contract which calls for 4,000 h.p. There is no great new demand for power, but the Great Lakes Company contracts to supply all that may be required.

The company is in the chain of the Mid West Utilities, headquartered at Chicago, which supplies 2,000 towns and cities in nineteen states with light and power. The Great Lakes obligates itself to bring power from the Montreal or Michipicoten Rivers, the former power site being about 90 and the latter 130 miles away. The Hydro people say that they, and not the Great Lakes, control this site. The Great Lakes leased the power site from the Algoma Central Railway in whose grant it is included.

The company fortify themselves with opinions of many eminent counsel, and their friends declare privately that there is even higher authority for their contention.

No Obligation on City

The Great Lakes agreement does not obligate the city to any expenditure, or to the purchase of power except in 1,000 h.p. lots. It was argued for it that it was a favorable contract with a privately-owned company. The company, too, said that originally it was invited by the Hydro to take up the matter and that the Hydro expressed willingness to have it make whatever additional development might be desirable at the rapids here.

Presented Estimates

What did the Hydro offer as an alternative? Well they jumped in and presented estimates of the cost of power that might be developed from several sites.

Twelve thousand h.p. from the Sault rapids, it said, could be developed for $2,005,000 which could be sold the city for a little over $17 per h.p. Sites on the Montreal and Mississauga Rivers could furnish many thousands of horsepower at varying rates above this.

But two things were stressed about these "estimates." First, they were only preliminary—those on the Montreal and Mississauga Rivers were made on "reconnaissance data only." And the figures given were on the assumption that all the power developed would be bought by the city—that is to say, 12,000 h.p. from the rapids here, while the city now uses only 4,000 h.p.

That is the basic situation, as to which the Hydro opponents asked "Why make any change?" The city last year paid $61,000 for its power from the Great Lakes Company; made a profit on it of $50,000 and received $50,000 in taxes from the Great Lakes. Net cost of power to the city was $11,000. And, the Hydro would pay only taxes on its land and none on the plant.

On Wednesday night, at what Commissioner Maguire called a wonderful meeting, a Mr. Megginson asked about this feature of the situation.

At first Mr. Maguire tried to evade it. Then Mr. Gaby and Mr. Hannigan took a whirl at it. But the net effect of it was to confirm what the Hydro opponents had said.

The fact undoubtedly seems to be that the Soo has definitely decided that the Hydro representatives were not specific enough for the Soo.

Printed Election Daily

Mr. Maguire made it clear that the Hydro question, which merely committed the people to Hydro power, would give control of the future power situation in the city to the Hydro. "What," the opponents said, "on these merely preliminary estimates?" Who would buy a horse unseen? And look at what has happened to similar estimates of the same gentlemen who come here!

That matter of the reliability of estimates was chiefly dealt with by Arthur Hawkes, of Toronto, who not only spoke, but also brought out a little daily paper, the Hydro News. This gave many extracts from public documents, including the Gregory and Sutherland commission reports, showing that estimates had been more than doubled in power works estimated to cost about the same as those "estimated" for the Soo. Mr. Hawkes also tried to "draw" Mr. Maguire on a matter which started a controversy.

Mr. Maguire's denial that the local people had been invited to take up the matter with the Hydro and that the Hydro had suggested a few months ago, that the Great Lakes Company should make the local development, was met by the production of correspondence by ex-Mayor MacPhail, the vice-president of the Great Lakes Company, which proved his statement, the letter as to development being signed by Mr. Gaby.

There was also exploitation of the idea of local power distribution being dictated at Toronto. Saturday evening's announcement by Vice-president Jones, of the steel plant (whom everybody here calls "Jimmy"), that his company is going into structural steel making, which will pay about $2,000,000 in wages, and mean a capital investment of many millions, had a great effect.

Incidentally, The Hydro News was issued on election morning as the Soo's first morning paper. It contained a telegraphic news service, as well as the Hydro opponent's last word on the campaign.

Heavy Trading Evident in British-American Oil on Toronto Curb Mart

Heavy trading is evident in British-American Oil on the Toronto curb market, with the price steady to strong. It is not evident, however, whether there is accumulation going on or if a distribution of some of the larger holdings is being effected. Owing to the fact that this company is one of those which gives no information as to its earnings, there is no way of judging if the stock is over-priced.

Holders may be reluctant to sell, whatever may be the temptation accruing from substantial profits. One holder who is in as good a position as any outsider to judge the situation, has acted several times on the belief that the price would not rise higher, and has been wrong every time. When approached this week, he declined to give his opinion as to whether or not the stock should, or would, continue its rapid and steady ascent.

TWIN CITY RAPID HAS LESS INCOME

Net Amount Available for Dividends is Only $111,521

Twin City Rapid Transit Company for November showed net income available for dividends of $111,521, as compared with $196,873 for the corresponding month in 1926, a decrease of 43.35 per cent. Total operating revenue was reduced by approximately $41,000, while operating expenses showed a reduction of only $8,000. After allowing $17,500 for dividends on the preferred stock, $94,021 was left to apply to common stock.

For the eleven months ended November, total operating revenues were $12,047,857, a decrease as compared with the same period a year ago of approximately $570,000. Operating expenses were reduced by over $55,000. Net income amounted to $1,039,435, a reduction of $169,000. After allowing $192,000 for preferred dividends for the period and $660,000 for common stock, there was a surplus of $186,939. This compared with $191,030 last year, when, however, $825,000 was paid in dividends. Comparisons for November and the eleven months period:

November	1927	1926
Total oper. revenue	$1,132,882	$1,173,964
Operating expenses	821,704	829,726
Net oper. res.	311,177	344,238
Taxes (oper.)	122,585	68,753
Non-oper. income	5,254	5,557
Gross income	193,846	281,042
Interest, etc.	82,324	84,169
Net income	111,521	196,878
Preferred dividends	17,500	17,300
Net for common	94,021	179,373
'11 months of 1927—		
Total oper. revenue	12,047,857	12,617,747
Operating expenses	9,033,329	9,388,761
Net oper. revenue	3,014,527	3,388,985
Taxes (oper.)	1,107,952	1,152,647
Non-oper. inc.	51,419	60,259
Interest, etc.	918,360	928,063
Preferred dividends	192,500	192,500
Net income	1,039,435	1,208,530
Common dividends	660,000	825,000
Net surplus	186,939	191,030

Clarence Mackay Sees Benefits from Court Order

Clarence H. Mackay, president of the Postal Telegraph Cable Company and of the recently formed Mackay Radio and Telegraph Company, stated that the decision of Judge Hugh Morris at Wilmington, Delaware, dismissing the suit of the General Electric Company against the De Forest Radio Company, in which the court held that the Langmuir so-called high vacuum patent is invalid, greatly strengthens the position of the Mackay companies in the radio art, and in conjunction with the decision handed down by the United States Circuit Court of Appeals in Philadelphia last October against the General Electric Company upholding the De Forest feed-back as against Armstrong, gives the Mackay companies a patent situation which is rapidly becoming unassailable. These decisions benefit the Mackay companies' radio situation through its contract with the Federal Telegraph Company, which contract gives to the Mackay companies rights to the use of apparatus and circuits employing thermionic tubes. The decision by Judge Morris that the Langmuir patent is invalid will permit independent tube manufacturers to construct highly efficient non-infringing tubes.

"These recent decisions of the courts," said Mr. Mackay, "are indicative of the breaking up of the monopoly in the radio industry."

DULUTH-SUPERIOR REPORTS DEFICIT

Decrease of Over $11,000 is Shown in Gross Revenues

Duluth-Superior Traction Company showed a deficit from November operations of $916, as compared with net income for the corresponding period in 1926 of $14,167. A decrease of more than $11,000 was shown in gross revenues, while operating costs were slightly higher.

For the 11 months' period ended Nov. 30, 1927, gross revenue increased by $30,000, while net income increased from $38,221 to $87,948, or 130.10 per cent. Comparisons for November and for 11 months follow:

November	1927	1926	
Total operating revenue	$ 164,293	$ 173,916	z5.53
Total operating expenses	138,371	136,085	1.68
Net operating revenue	25,921	37,831	z31.48
Taxes (oper.)	15,736	12,407	26.85
Operating income	10,184	25,423	z59.94
Non-operating income	3,289	3,202	2.74
Gross income	13,474	28,625	z52.95
Interest, etc.	14,391	14,458	z.47
Net income	x916	14,167	...
11 months, 1927:			
Total operating revenue	1,768,962	1,738,969	1.72
Net operating increase	199,746	161,139	23.96
Non-operating increase	48,079	35,509	35.40
Interest, etc.	159,877	158,426	.92
Net increase	87,948	38,221	130.10

x—Deficit.
z—Decrease.

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ANNUAL
Stock Folder

We have just issued our annual folder, showing representative stocks listed on the Montreal and New York Exchanges. It shows the amount of stock outstanding, the dividend rate and dates of payment, the high and low for the past five years and the yield at December 31st, 1927.

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B.C. Government Will Not Aid Compulsory Insurance

Though refusing to introduce the proposal as a government measure, Attorney-General A. M. Manson, of British Columbia, will consider introduction by a private member of the Legislature of a bill to provide for compulsory personal liability automobile insurance. The matter may come up at the January session of the Legislature. Mr. Manson does not think the public demand for such legislation would warrant a government bill.

George H. O'Neill, vice-president of United Hotels Company of America, denies that the King Edward Hotel, Toronto, is for sale.

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RUMORS OF MEXICO RAIL. ACQUISITION SEEM UNFOUNDED

Canadian Interests Said to be Interested in Deal

OBSTACLES ARE MANY

Sir Henry Thornton's Trip to Investigate National System Gives Rise to Many Speculations

Reported purchase of the National Railways of Mexico by Canadian interests appears to be without foundation. Inquiry in Toronto and Montreal has failed to elicit any concrete information which would lend belief to this rumor.

The story arose out of Sir Henry Thornton's visit to Mexico at the request of President Calles to study the Mexican railway system and report on the possibility of its financial rehabilitation.

The report that the president of the Canadian National Railways had visited Mexico with a motive other than an investigation of the railway system on behalf of the Mexico government was first advanced with the argument that it would be advantageous to ship Canadian produce down the east coast to Puerto Mexico, and then trans-shipping to Salina Cruz on the Pacific side for a journey of a few hours only by rail, as against the long distance haul across Canada and then a long sea voyage down the Pacific Coast.

At present Canadians have substantial interest in several Mexican enterprises. Canadian banks have also secured a foothold in that country, while extensive trading has been carried on between Canada and Mexico for some years.

Obstacles to Plan

Such a plan as proposed would involve innumerable obstacles and would take considerable time to complete. A survey of the Mexican railway situation shows how difficult the task would be.

The National Railways of Mexico was incorporated in March, 1908, for the purpose of taking over and uniting the properties of the National Railway Co., of Mexico, and the Mexican Central Railway Co., with power to acquire, construct and operate other lines of railroad.

On or about August 15, 1914, the company lost control of the operation of its properties and later in the same year the properties were taken over by the government of Mexico. Under an agreement made in 1922, the government bound itself to return to the company, within a reasonable period, the railway properties that were taken over. This was done at the beginning of 1926.

Finances Unfavorable

Financial operations under the government regime have not been at all favorable. Interest on certain of the company's securities due January 1, 1914, and subsequently, was paid in 6 per cent. notes of company, secured by treasury bonds of Mexican government. This method of interest payment continued to and including June 1, 1914.

A plan of readjustment, dated June 16, 1922, of the external obligations of the National Railways System and Mexican Government was agreed to by the Minister of Finance and by the International Committee of Bankers on Mexico. This became operative on December 8, 1923. Payment of the first year's interest of $15,000,000 was made when due, but the Mexican Government failed to make payments due July 1, 1924, and 1925, under the plan.

Under an agreement drawn up in 1925, whereby the debt of the railways was separated from that of the government, the railways were returned to private ownership and the 1924 and 1925 unpaid interest, totaling $37,500,000, was postponed and will be paid over a period of 8 years with interest at 3 per cent. per annum as from the beginning of this month.

Await Thornton's Report

For the present owners, the majority of whom live in England, France and Belgium, to relinquish control would necessitate the sacrifice of a substantial portion of the capital put in this enterprise. This would involve numerous negotiations.

Whatever may be the situation as to the possibility of Canadian purchase of the Mexican system, the facts will not be known until Sir Henry presents his report.

Traffic on the Sault Ste. Marie American and Canadian canals was lighter in 1927.

Bond Notices

All of its outstanding first mortgage 5 per cent. 30-year gold bonds, due July 2, 1921, were called for redemption by the Canada Carbide Co., on January 2nd at the price of 105 per cent., together with accrued interest, at the head office in Montreal of the Montreal Trust Co.

National Breweries, Ltd., will redeem on July 1, 1928, all its 30-year 6 per cent. first mortgage bonds, due 1939, at the redemption price of 105 and accrued interest. Payment will be made at the head office of the Bank of Montreal, Montreal.

Bond Redemptions

	Rate	Due	Redeem.	Price
Shawinigan "D"	5½%	1954	Apr. 1	105
Do. "E"	5%	1955	Apr. 1	105
Pt. Alf. Pulp B.	6½%	1943	Apr. 1	104¼
Nat. Breweries (Call part only)	6%	1939	May 1	105
Ottawa Gas	6%	1939	Mar. 1	103
Canada Cement (Old company)	6%	....	Mar. 31	110
Ottawa L. H. & P. "A"	6%	....	Mar. 1	105

Toronto Group Secure Windsor Chain Stores

Forty Stores, With Annual Turnover of $1,500,000, Comprise Important Deal—Stock Offering Will be Made Shortly

A Toronto group headed by Alvar H. Simpson, until lately vice-president of National Grocers, Ltd., has purchased control of the Mailloux and Parent, better known as the M. & P., chain of grocery stores with headquarters in Windsor.

This organization has been in operation for fourteen years, now controlling about forty stores in Windsor, Walkerville and other border cities. Combined sales have approximated a trifle over $1,500,000 yearly. This is an average per store of about $40,000.

Up to the present, the M. & P. chain has been privately owned by Messrs. Mailloux and Parent. As a result of the change in ownership, a joint stock company, under the title of M. and P., Ltd., has been formed.

Plans for financing the deal are rapidly rounding into shape, and an announcement will be made in the course of the next week or two. The form of financing to be undertaken is not known, but it is likely to be a convertible preferred stock, together with a probable bonus of common. R. A. Daly and Co. are handling the new financing.

The former owners are retaining a stock interest in the company as well as being identified in the personnel of the company's management. The head office will not be changed.

It is expected that additional capital will be raised to provide for the carrying out of an extensive plan of expansion planned by the new owners. A number of stores will be opened in the Border Cities and improvements will be made to the present ones along definite lines set down by the new management.

Alvar H. Simpson, who is president of the new company, has been long connected with the grocery trade. For a number of years he operated a wholesale establishment in Guelph. This was sold to National Grocers, Ltd., and he became identified with this company as vice-president.

There is a possibility of National Grocers becoming interested in this chain store group, either financially or through a working agreement, but definite information is unavailable.

New Bell Telephone building in Montreal will be 20 stories high and will be the largest building in the British Empire devoted to administrative purposes.

New Corporation Bond Financing Sets Record Likely to be Repeated

High Yielding Securities Attract Investors to Industrial and Public Utility Bonds—Market Prospects Are Promising

While a new record for the post-war period in the matter of bond sales was set up in 1927, the large increase in number and diversity of corporation issues proved to be the feature rather than that of government or municipal financing.

Between 1917 and 1922 the gross value of new corporation bonds issued did not average much over $50,000,000 yearly. Since that time there has been a large increase, culminating with the record total of $297,332,067 during the past year.

It is further significant that a larger proportion of these securities were sold in Canada than of any other class. Of the total sales in 1927, $169,518,400 were sold in Canada; $117,115,000 in the United States; and $10,698,667 in Great Britain. Although no other bonds were sold in London, this is the third largest total distributed in Great Britain in the past eleven years.

Large Yields Attract

Larger yields have attracted Canadian investors to the corporation bond. Current yields on government securities of the better class are below the 5 per cent. mark. Accustomed to receiving 5.50 and even better than 6.0 per cent. for this class of bond, investors are still thinking in terms of high interest yields and are willing to take more risk to secure that yield.

While there is not the same degree of security in the corporation bond, many of those placed on the market in the past few years have been amply secured. A great diversity has also been offered, practically every industry being represented.

Three or four years ago, there were many big bond issues of industries and other corporations where the money was needed to provide working capital to replace liquid assets that had been wiped out by the decline in price of inventories, and in credit losses. Very few of the issues in the past year have been necessary to replace working capital, except where money has been spent on extensions, the company advancing the money out of its current assets or borrowing it from the banks.

Money for Expansion

Most of the financing has been either for refunding existing issues or for investment in entirely new developments. Millions of dollars are being spent on vast productive enterprises in different parts of Canada, and as new districts are opened, additional capital will be required.

From present indications there is no doubt but that the volume of corporation financing, through the medium of bonds, will be as large as in 1928. Aside from the many new developments, old established companies are finding it advantageous to refund their debt by the issuance of new bonds with the lower interest coupons, while others will require additional capital for the extension of facilities to handle new business.

Interest rates will probably not be as high as they have been in the past year, though they will be sufficiently above government bonds to attract greater interest. For the past twelve months the trend of interest has been lower and in one instance, a corporation bond bearing a 5 per cent. coupon, was successfully placed on the market. Though the present year will not likely see many issues at that rate, 5½ per cent. will be general.

Strong Market Exists

The market for corporation bonds has been further strengthened by the lack of Federal financing and the putting into circulation of large sums of money through the partial redemption of government bonds last November and December. Of late months, there has been a scarcity of high grade securities. New issues brought on the market have been quickly oversubscribed and well distributed.

There is apparently no lack of funds for investment. The great problem seems to be bringing out sufficient issues to meet the demand. In addition to the small individual investor, banks, insurance and other large buyers have been actively bidding for bonds of the better type. Savings deposits are higher than they have been for many years while commercial loans have not increased in the same proportion.

OFFER CUBAN RAILWAY BONDS

Canadian Houses Participate in Underwriting New Issue

In conjunction with Hemphill, Noyes & Co., of New York, Dominion Securities Corp. are offering in Canada this week $3,000,000 first mortgage 6 per cent. bonds, series "A," of the Guantanamo and Western Railway Co.

Guantanamo and Western Railroad serves an important sugar producing area in Cuba. The sugar mills in this territory have a total capacity of more than 1,000,000 bags a year, over 90 per cent. of which are carried on the company's lines.

Proceeds of these series "A" bonds will be used to pay a 6 per cent. loan of $450,000 from the Cuban government, due in 1928, to pay $600,000 first mortgage 6 per cent. bonds due in 1929, and $1,878,500 refunding mortgage 6 per cent. bonds due in 1948, which are all presently to be called for redemption.

Details of the issue follow:

**$3,000,000
Guantanamo and Western Railroad Co.
1st Mortgage, 6% Gold Bonds
Series A, Due January 1, 1958**

Property—This company was incorporated in Maine and now owns and operates about 91 miles of railway in the province of Oriente, Cuba.

Security—Will be secured, upon redemption of outstanding obligations by a direct first mortgage on all of the company's property now owned or to be acquired.

Property Valuation—Value of properties to be directly subject to the mortgage securing these bonds was appraised as of September 1, 1927, at over $8,500,000, or over 2¾ times the principal amount of these Series A bonds.

Earnings—For the seven years ended June 30, 1927, net earnings, after operating expenses, maintenance, depreciation, and all taxes except income, have averaged $330,356 a year. For the last year earnings were 355,470, equal to about twice interest charges on these bonds.

Purpose of Issue—Proceeds will be used for corporate purposes.

Offered—Dominion Securities Corp. at 97 and accrued interest, to yield about 6.22 per cent. to maturity.

SARNIA BREWERY CO. DISTRIBUTES STOCK

24,500 Shares of No-par-Value Common is Offered

Another brewery stock, which is being distributed by salesmen, is that of Sarnia Brewing Co., Ltd. The company has been operating since 1925, serving the export market, but an addition to the plant, completed in September, was made to increase the outlet for the company's product, malt beer, rice beer and ale, in the domestic market.

A total of 24,500 shares of no-par value common is being offered. The authorized capitalization is 60,000 shares, of which 49,400 have been issued. The price of the stock now being offered the public is $25 the share. It is announced that application will be made to list the stock on the curb section of the Toronto Stock Exchange.

Toronto is again offering 5 per cent. interest on sums left with the city treasurer now to apply on 1928 taxes.

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Over 90% Bloor Bldg. Office Space Occupied

Ninety per cent. of the available office space in the Bloor building has been rented. Some trouble has been experienced in renting space in this building owing to the newness of the district, but in the past six months, there has been a definite movement towards the northern part of Toronto, and applications for space have been more numerous.

Within the past month, 35,000 square feet of floor space has been rented to the Bell Telephone Co., on a long term lease. It is the intention of the Bell Co. of allocating several of its exchanges and creating a divisional headquarters in the Bloor building. The same company has also taken two stores on the ground floor.

This building has been completed in a little over a year. Its financing was carried out by the United Bond Co., which guaranteed the interest and principal of a $650,000, 7 per cent. first mortgage issue.

Montreal Firm Offers Insurance Company Stock

Preferred stock in the Insurance Holding and Investment, Ltd., which has a controlling interest in two fire insurance companies, is being offered through the Montreal firm of Charles C. Beaubien & Co. The present offering consists of $200,000, 6 per cent. cumulative sinking fund preferred stock at $25 a share, with a bonus of one share of common with every two shares of preferred.

With the improvement in business and economies affected since the change in control, it is estimated that profits of the Insurance Holding and Investment, Ltd., during the year 1928, will amount to over four times dividend requirements on the current issue of preferred stock.

The sinking fund for the redemption of the stock will go into operation at the beginning of 1929, and provides for the setting aside for this purpose of 50 per cent. of the net revenue of the company for the previous year. The preferred is redeemable at $27.50 on the option of the company.

Tenders and By-laws

Jan. 16, City of Hull, P.Q.—$156,000, five per cent., twenty-year debentures. H. Boulay, city clerk.

Jan. 11, Walkerville.—$169,240, five per cent., 10, 15 and 20-instalment bonds.

Jan 16, School Commission of Grand'-Mere, P.Q.—$36,000,000, five per cent, serial bonds. A. Desilets, sec.-treas.

Feb. 6, Municipality of Ste. Therese de Blainville, P.Q.—$17,500, five per cent., serial debentures. A. Forget, sec.-treas.

Jan. 21, R. M. of Dauphin.—$43,000, six per cent., 20-year bonds. J. A. Gorly, sec.-treas. (See announcement on page 15).

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The following suggestions are submitted for the placing of funds awaiting investment at this time:

GOVERNMENT AND MUNICIPAL BONDS	Due	To yield
CANADIAN NATIONAL RAILWAY CO. 4½% Bonds Guaranteed by Dom. of Canada	1954	4.40%
CITY OF MONTREAL 4½% Bonds	1947	4.42%
CITY OF MONTREAL 4½% Bonds	1967	4.45%
REPUBLIC OF PERU 6% External Gold Bonds	1960	6.80%
CORPORATION BONDS		
SHAWINIGAN WATER & POWER CO. 4½% First Mortgage and Collateral Trust Bonds	1967	4.65%
CANADA ATLANTIC RAILWAY CO. 4% First Mortgage Bonds	1955	4.85%
MONTREAL TRAMWAYS CO. 5% General Mortgage Bonds	1955	5.00%
CANADA CEMENT CO. LIMITED 5½% First Mortgage Bonds	1947	5.30%
UNITED GRAIN GROWERS, LIMITED 5% First Mortgage Bonds	1948	5.30%
CANADIAN VICKERS LIMITED 6% First Mortgage Bonds	1947	5.85%
WOODS MANUFACTURING CO. LTD. 6% First Mortgage Bonds	1943	6.00%
THE GUELPH CARPET WORSTED SPINNING MILLS, LTD. 6% First Mortgage Collateral Trust Bonds	1947	6.00%
METROPOLITAN CORPORATION OF CANADA LIMITED, 6% First Mortgage Bonds	1947	6.05%

Detailed information on any of the above issues will be gladly forwarded on request.

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Prince Rupert, B.C.	Dec.	Royal Financial Corp.	5%	10-serial	$85,797	96.31	5.78

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Guantanamo & Western Railroad Co.	Jan.	Hemphill, Noyes & Co., and Dominion Securities Corp.	6%	1958	$3,000,000	97	6.22
Stock Issues	**Date Issued**						
Harding Carpets	Dec.	Dickson, Jolliffe & Co. (With bonus of one share of common with each share of preferred)	7%	Pref.	$750,000	100	7%
Ramore Gold Mines	Jan.	J. H. Neill & Co.	....	....	500,000 shs.		30c.

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TORONTO, JANUARY 6, 1928

PROSPERITY IN CANADA

THE prosperity enjoyed by the United States during the past ten years has been as much a source of amazement to American economists as it has been a reason for envy by citizens of other nations. One London newspaper said that President Coolidge's message to Congress made one's mouth water. An American university man said that the enormous industrial production of the United States had for the first time since the world began put a country in touch with the abolition of poverty. This is enormously significant. One large nation, now the pre-eminent nation of the world in a material sense, has given a new sense to the ancient belief that "the poor ye have always with you." It has made it unnecessary for any one to be continuously poor and thus while it has created fabulous fortunes for the few it has not done so at the expense of the many.

It appears that prosperity on the present scale is going to continue in the United States throughout the coming year. Theodore Price, able editor of Commerce and Finance, feels that the forecast of business prophets will generate courage and insure the country of a prosperous and presumably happy New Year.

We do not have to look across the border to find a country that is growing in wealth and prosperity. Here at home we are gaining more rapidly than most of us think; moving forward in a steady advance that is recruiting one by one new industries in its line of march and will in time present a united line of successful wealth-sources to the world.

The year 1928 will be a good business year in Canada. The next year should be even better. And we may not reach the climax of the present wave of prosperity for some time yet.

AUSTRALIAN TRADE

THE minute number of people in Canada who do not find the Australian Trade Treaty beneficial are articulate out of all proportion to their numbers. But their propaganda machine is working extraordinarily well. However, it will have to operate a great deal more efficiently to convince the people of Canada that the treaty, which has already benefited such basic and fundamental industries as salmon-packing and pulp and paper manufacturing, will not be favored by business men as a whole.

If Sweden, Germany or any other European country had been successful in obtaining such satisfactory trade relations as Canada now has with Australia, it is certain that they would have cherished these relations and the voice of a small minority, who are harmed not at all, would not have been raised, let alone heard.

Australia benefits under the treaty by imports into this country of such commodities as raisins and currants which are not produced in the Dominion. True, there are small imports of butter, onions and meats, but the volume of these imports is minute in comparison with the domestic trade. In any event, those who dislike the treaty will have difficulty convincing the Canadian public that a basic industry such as agriculture requires protection from producers located 10,000 miles overseas.

To augment further the trade between the two countries, the Australian Minister of Trade and Customs has decided to appoint a trade agent in this country with headquarters, probably, in Toronto. As the Dominion has its representative in Australia, the Australian appointment should tend to cement more firmly the improved and increasingly satisfactory growth in trade between these two nations of the British Commonwealth.

$2,800 FOR SCIENTISTS

A SCIENTIFIC triumph over wheat rust will add more millions to the annual revenues of Western Canada than the creation of a new kind of wheat, unless, of course, that wheat be of a rust-proof variety. Rust is the arch enemy of the Western farmer, the most serious of his many plagues. If rust can be banished from the wheat fields of the West, great benefits will accrue directly to the farmer and indirectly to all Canada.

Scientific research is attacking the problem with characteristic patience and in the laboratory operated by the Dominion government at the Manitoba Agricultural College, rust is being put under the pitiless examination of the scientist's microscope. Attempt is being made to find out just what rust is; to breed a rust-resistant wheat and to find ways of preventing and treating rust. Every advance towards any one of these goals will be worth millions to Canada. In fact if rust could be largely eliminated the return to Canada might be much larger than the benefits promised from recent discoveries in the field of drying and treating damp and unfit grain and making it suitable for milling use.

Canada has not yet taken up scientific research in a thorough and aggressive manner. The Dominion government promises further support to research and will no doubt implement its promise generously. Ontario's prime minister has undertaken to co-operate with manufacturers in research and in his recent announcement he clearly evinced a lack of faith in Ottawa's good intentions. We sincerely trust he is mistaken in assuming that the Dominion government intends to do more talking than working in the field of scientific research.

When a party of members of the Winnipeg Grain Exchange visited the Dominion government laboratory at the Manitoba Agriculture College they were gratified by the work being accomplished. E. W. Kneeland, president of the Grain Exchange, relates in an article that he had contributed to various New Year's editions of the newspapers that the grain men learned that the highest salary being paid in the laboratory was $2,800. He adds:

> In the name of wonder why cannot scientific men doing work of that kind be paid a salary sufficient to keep them and their children decently? The salaries in these cases should be doubled, and if they were that would not be too much. But candor is worth something, and no man should be expected to continue to work in that laboratory at his present salary a moment longer than he can make a little more money elsewhere. In all other respects the laboratory is well equipped, the work is being thoroughly done, and it promises results that are of incalculable value to the whole of Canada.

This suggests a phase of the question that is important. Governments are traditionally extravagant and at the same time traditionally incapable of holding as high a percentage of their best men as do private companies. Salaries of $2,800 a year will not hold Western Canada's grain research workers on the job.

HOPE FOR NOVA SCOTIA

THE present situation surrounding coal mining in Nova Scotia permits a reasoned optimism. These are the views expressed in the Halifax Chronicle by F. W. Gray, president of the Mining Association of Nova Scotia and assistant to the president of Besco. These views are the more important as, not only is Mr. Gray the foremost authority on Nova Scotia coals, but he has also a recognized standing in the coal industry throughout the world.

Due to the many vicissitudes through which the industry has passed, many Canadians have wondered whether it could ever be placed on a satisfactory basis. Mr. Gray's remarks are encouraging for, despite petroleum, despite hydro power, coal is, and will remain the real basis of our present civilization.

Thus despondency regarding the future of the Nova Scotian coal fields seems to be as much out of place as an easy optimism based on an incomplete knowledge of the facts.

Coal production costs in Nova Scotia are high. They are too high. They can be reduced—but only by the expenditure of large amounts on capital accounts. Since the war, the Nova Scotian operators have not been in a position to obtain further capital. But during the past year, coal mining there has undergone a betterment with the possibility that in the future, capital will flow eastward, there to be utilized in developing the present mines more economically and more efficiently.

GASOLINE COSTS

ONTARIO has apparently decided not to increase the present gasoline tax of three cents a gallon. This is of national significance for had Ontario introduced the five or six cents a gallon tax that was earlier hinted at, other provinces would have been tempted to follow suit. Wisely the Ontario government has decided to leave the tax where it is. In this it is heeding good advice. The Financial Post was not alone in protesting against such a high tax on gasoline consumption.

High rates of taxation usually defeat their aims. A tax of six cents a gallon on gasoline would prove to be a material deterrent to motoring and would tend to reduce gasoline consumption and might, in fact, produce a smaller total revenue than the present tax of three cents a gallon.

Gasoline prices are high in Canada Motoring bears a burden of cost that is a distinct drag upon the fullest development of the use of the automobile for business and pleasure. Exact figures on the spread between the cost and the selling price of gasoline are not available. An Ontario government investigator examination a couple of years ago, investigation a couple of years ago, but as he was able to publish practically no figures and gave only his own conclusions, his report was not a complete answer to public criticism of the gasoline companies. Canadian motorists have benefitted very little from the low crude oil prices of the past two years. Unofficially it is said that there is a spread of six cents a gallon between refiner and service station in Central Ontario and on top of this there is another spread of three cents a gallon to the distributor, probably a fair charge for the service he renders. This total spread of nine cents a gallon together with a government tax of three cents a gallon, represents almost half the price the consumer pays. It makes the casual observer wonder if there is not either waste in distribution costs or an unjustifiably high margin to the refiner or wholesaler of gasoline. Virtual lack of competition—the smaller distributors being ready to follow the prices set by the dominant factor in the field—seems to be the governing factor in the situation in contrast to conditions in most parts of the United States. Between Buffalo and Toronto, a distance of 125 miles, there is, a difference of several cents in the cost of gasoline to the motorist even after allowing for the difference in the size of the gallons and for the fact that gasoline is taxed in Ontario and not in New York. Comparative gross prices to the consumer were, on a recent date, 14 and 17 cents in Buffalo and 29 in Toronto.

To have added a high government tax upon the present load would have been too much for motorists willingly to bear.

DOOM OF PARTISANSHIP

THE Halifax Herald commends J. H. Fortier for his pithy remark that:

> "To talk politics is stupid and futile to-day. Party spirit is dying out in the leading classes, and it will be difficult to try to revive it."

Both Mr. Fortier and the Halifax Herald may speak justifiably on such a question. While the dominant factor in a group of Quebec province newspapers with Conservative leanings, Mr. Fortier demands of his editors a fair and unbiassed account of political movements. When he was president of the Canadian Manufacturers' Association he showed a broad and conciliatory spirit that was in sharp contrast to the selfish class consciousness that had prevously imbued certain industrial groups in Canada. Mr. Fortier is a French Canadian popular in English Canada, a manufacturer holding the respect of labor and agriculture, and a Conservative with a Liberal viewpoint on many public questions. The Halifax Herald is also a Conservative paper, reflecting the politics of its virile and unique proprietor, W. H. Dennis, but its Conservatism is singularly lacking in the partisan note, and while it is aggressively Maritime in utterance, its sectionalism is but the presentation of a local desire to share and share alike with every constituency in one united and uniformly prosperous Dominion. We recognize the voice of Mr. Dennis when the Herald states that the greatest curse of Nova Scotia has been the drag of partisanship. Maritimers of both parties have taken their politics somewhat too seriously. That this kind of party spirit is dying out throughout Canada is absolutely true.

This does not mean that people are losing or need to lose, their affiliations with one party or another. The two-party system has obvious merits which we need not cast overbord. But while clinging to the fine traditions of the old parties, it is well to remember that partyism carried to the extreme is a deplorable, because antagonizing and disintegrating, influence in national life. The "my party, right or wrong" type of loyalty is not loyalty to country and loyalty to good citizenship and individual thinking are foundation stones upon which a great nation can be reared.

LOST OPPORTUNITIES

EVERY company has a few shareholders who take little interest in their holdings. To such a length of neglect do they go, that when valuable rights to new shares are issued, there is always a proportion of the shareholders who fail to take up their rights.

The $10,000,000 stock offering to the shareholders of the Bell Telephone Company, made last August, is a case in point. By neglecting to exercise their rights, or by forgetting to sell the rights, some stockholders of the company lost a total of $26,000, it is revealed in the current issues of the Blue Bell, the house organ of the company.

The Bell Telephone Company at that time had some 490,000 shares outstanding. On 3,120 of these shares the rights were neither taken up nor sold. This means that the shareholders subscribed for or sold 99.37 per cent. of the stock offering. The remaining .63 per cent. represents only a small proportion of the shareholders—but it amounts to a large total figured on the market price at which the rights to the new shares changed hands.

Some shareholders missed the opportunity simply through forgetfulness. They are now filled with vain regrets. Still others must have been so careless about their investments that they are even now probably unaware of their loss.

The popular advice that certain securities should be thrown in one's strong box and forgotten can be taken too literally.

EDITORIAL NOTES

AN AMERICAN woman got a one cent refund from the United States government. Which proves that "all things come to h.w.w."

THE 1928 baby will live 140 days longer than the child born in 1927. Public health work pays even better dividends than money spent on immigration.

* * *

IF THEY put through that scheme for a monument to Little Lord Fauntleroy we will start a fund to put up a statue to a real boy, "Huck" Finn.

* * *

IT HAS cost $5,000,000 to tell the world of Lindbergh's achievements. But the stock of one aeroplane company alone has advanced $12,000,000, almost as a direct result. The news services could have got their money back if they had bought Wright stock the day Lindy flew the Atlantic.

* * *

THE DAILIES are wondering if they did not overdo the free publicity on the new Ford car. General Motors has kept all the clippings and demanded, it is reported, similar space on its new Chevrolet model. Then it will be the turn of Dodge to ask for it a million dollars worth of free puffs. And Nash, and Reo, and Star. Advertising ought to be bought and paid for.

Duty of Municipality is to Provide Homes

Four Principal Reasons Given Why Cost of Housing Has Increased—Certain Services of Municipal Authority Are Defined

By A. G. DALZELL, Housing and Town Planning Engineer

(From article in The Financial Post Government and Municipal Survey, 1927)

A community organizes, and places in authority a number of its members, in order that certain things may be done collectively that cannot so satisfactorily be done individually; and to draft and put into force laws and regulations for the government of the community. A municipal council is such an organized body, and community government and community services are rendered by the council, assisted by officials and servants that they appoint. The work and service of the municipal authority tends to increase with the size of the community, but there are certain services which it is now generally recognized should be undertaken by nearly all municipal authorities, either directly or by close control. Such services are, the provision of water and sewer systems, the disposal of garbage, and the protection of the public by police forces and fire brigades.

Necessary Work of Municipal Authority

Food, clothing, shelter are essential for human existence, but the obligation to provide these necessities still rests with the head of the family, or with every able bodied individual, if of self supporting age. Ideal conditions would seem to prevail if in any community every member was healthy, had sufficient to eat, adequate clothing to wear, and a comfortable dwelling in which to live. But such conditions do not prevail, and in most communities it is necessary that the municipal authority should provide food, and clothing, and shelter for some members, and take care of some of the sick and aged, and the feeble in mind or body. In older countries this provision of food, clothing, and shelter for the poor and aged is one of the main functions of the municipal authority, and in the effort to maintain as many citizens as possible on a self supporting basis, municipal authorities have tried many schemes to provide homes for the poorer classes.

There is little need to dwell upon the value and the importance of the home, and its effect upon the life of the citizen. The home is the base of family life, and upon true and complete family life the continued existence and development of the community and nation depends. The dwelling is a vital factor in the reproduction of the human race, in the maintenance of health, and the upbuilding of character. It has been conclusively proved that, even without any change of occupation or improvement in economic status, merely by the removal of people from an unhealthy slum area to a district of better homes, the mortality and sickness rates have been reduced, and the character and morale of the residents greatly improved.

Housing in After-War Period

The world war affected the housing conditions of every nation that was directly or indirectly engaged in the conflict. The cessation of building activities during the war period, the migration of people from one country to another country, the influx of population from rural areas to urban areas, the high marriage rate which followed the disbandment of the fighting forces, all tended to complicate the problems of housing, which even before the war had been acute in some of the countries. Even whilst actively engaged in warfare some of the nations had to undertake the building of dwellings as a war measure, but at the conclusion of hostilities most of the European nations undertook the building of dwellings by communal effort on a scale never before attempted. England and Germany had before the war undertaken more services by municipal government, including the provision of dwellings for certain classes, than perhaps any other civilized nations. It it therefore very instructive to note that after years of experience, both before and after the war, these nations have come to realize that the provision of housing is too intricate a problem to be undertaken directly by government authority; be it national, provincial or municipal.

In Canada, at the conclusion of the war, at a conference between the premiers and members of the various provincial governments and members of the dominion government, it was stated that there was urgent need to lessen the congestion and improve the housing conditions of the working classes in the larger centres of population. A Royal Commission appointed by the dominion government to consider industrial relations, traveled all over the dominion, making investigations and holding inquiries. In its report it stated that at nearly every place it visited some complaint was made of the unsanitary and inadequate housing of the poorer classes. In an effort to improve these conditions the housing project of the federal government was inaugurated, and money was loaned to the provincial governments, and through them to the municipal authorities, to enable them to undertake housing schemes for the erection of dwellings for the working classes. In all, twenty-three and a half million dollars was advanced, the total number of houses erected was 6,244, but these were spread over 179 municipalities, and the total number of people benefited directly by this scheme could hardly have been more than 30,000. Many municipal authorities that undertook housing schemes under this project will be ready to admit that housing is too intricate a problem for municipal authorities, and there are probably few that would now endorse any proposal to use municipal funds to assist in the erection of dwellings for any class of the community.

Not Government's Job

The real function of any government authority is not to undertake the erection of dwellings, but to remove the obstacles that make it difficult, and to create the conditions that make it easier, for the average citizen to provide his own home. There need be no more reason why homes should be provided for the average citizen by community effort, than for providing his food and clothing.

The obstacles that make it difficult for the average citizen to provide himself with an adequate and efficient dwelling vary in different countries, and even in different localities in the same country. In Canada there are four principal reasons:

The high cost of land as a site for a dwelling in urban areas.

The high cost of improving and developing the site and providing the necessary public services.

The high cost of building arising out of inefficient and individualistic methods, poor construction and perishable materials.

The high cost of financing.

There will only be space in this article to refer to the first two of the above reasons, but it is here where the municipal authority can do most to remove the obstacles that they present.

High Cost of Land

Canadians have become accustomed to the rapid rise in values of both agricultural and urban lands. In proportion to population they are said to exceed those prevailing in any other region of the world. In western cities in Canada with a population of less than 60,000, and with over 40 square miles of subdivided land, the per capita value of land has exceeded that of New York. For what was probably the worst housing site in Ontario, foreign immigrants paid more in the year 1907, on the basis of square foot occupied, than was paid in the same year for Hampstead Garden Suburbs, at that time within a six cent fare from the very heart of the British metropolis. In the year 1919, the municipal assessed value of fourteen typical settlements of working class people in four different provinces in Canada showed an average land value of over $5,000 per acre. The average land value of all the sites bought for housing schemes in Great Britain was reported in the same year as $490 per acre; and the average value of all the land bought for war housing schemes by the United States Housing Corporation, as under $555 per acre.

The reason for this excessive cost of urban lands in Canada is simply that government authorities have consented to the excessive subdivision of land to facilitate speculation. Land has not been subdivided for actual use, but to provide a medium for gambling. Cities like Calgary had over 225,000 building lots, sufficient for a population of a million, before the population had reached 50,000. In and around the city of Vancouver, where the population has not yet reached one-third of a million, land has been subdivided sufficient for three million people. Every encouragement has been given to buy land to hold vacant for increase of value; this has encouraged further subdivision of land far removed from the city centres, and dispersed the population. Around the city of Winnipeg 54,000 people are scattered over 36 square miles of subdivided land, only one lot in thirteen is built upon, and the density of population on subdivided land is less than three to the acre.

Essential Improvements

With so much vacant land, and with such a dispersal of population, site improvements and public services have been costly. In 1914 the city of Calgary had 26,763 vacant lots served with streets, and water and sewer services. As long as the owners were content to pay taxes very little harm was seen in this excessive subdivision of land, but when at the end of 1926 the city had full possession of over 73,000 lots, the burden of carrying these improvements was transferred from the speculator to those who are trying to make a living in the city. Careless subdivision of land results in excessive costs for site improvements. Mention has already been made of the cost of a site occupied by foreign immigrants in an Ontario city exceeding that of a garden suburb in London, England. But owing to the nature of the ground, and the method of deferred payments the cost of the cement sidewalks alone, for some of these lots, is in excess of the cost of the site. Not only have the owners to pay a general tax on real property, but they may be charged other rates for water, sewers, sewer connections, sidewalks, paving, street flushing. The annual tax imposition on real property in the area outside the city of Winnipeg averages 4.75 per cent. of the capital value, which is very largely made up of abnormal land value. Some authorities contend that the total annual levy for all municipal purposes based on the true capital value of improved real estate, should not exceed 1.5 per cent. In the suburban areas it is already more than three times that amount, and the citizens have no such amenities as parks, libraries, recreational areas, now considered essential in well managed communities.

It is obvious that anyone desiring to build a home will have less to spend on actual building, if he has to pay a big price for the land, and a high annual tax for municipal purposes and site improvement.

Things That Might be Done

What can the municipal authority do to lessen the cost of the land and its improvement for building purposes? Much might be accomplished to lessen speculation, and make land more suitable for home building if it was made obligatory on those who subdivided land to state for what purpose the land was sub-divided. To facilitate speculation the practice has been to subdivide land into blocks of approximately uniform size with every street, regardless of its possibilities for traffic, of uniform width, and every lot of minimum width and standard depth. Square mile after square mile of prairie land has been subdivided into nearly 6,000 lots of a size very suitable for the erection of a single family dwelling, and most unsuitable for any industrial purposes. If instead of this promiscuous subdivision the authorities had insisted on some land being set aside for sites for dwellings, it would be easy to show that instead of a lot of 25 feet in width by 124 feet in depth, a lot 35 feet in width by 85 feet in depth would make a better dwelling site. It would also be shown that it would be better to make the streets on the outside of the area traffic streets 100 feet in width, and allow business and apartment dwellings on such streets, but reduce many of the other streets to 40 feet in width, making provision for a 12 feet building line on each side. The speculative value of such specially designed sites would be less but the permanent value would be much greater. With sites thus definitely set aside for dwellings, it would become necessary to plan sites for industries, and they would not have to overcome the many disadvantages of building on sites of unsuitable proportions.

The tendency in the United States is now to follow the British practice, and compel those who subdivide land to provide the public services, such as water and sewers, and at least the grading of the roads. If this is not considered practicable in Canada, it should at least be required that those who subdivide should furnish the plans for these public services, and that no land should be placed on the market until the promoters have agreed with the municipal authorities for the provision of water and sewers within a reasonable time. If municipal taxation is to be kept within reasonable limits, to permit of the establishment of industries, and the comfortable and economical housing of industrial workers, there must be some control of land development, and the dispersal of population. Congestion of population has its evils, but undue dispersion of population has just as serious evils, and imperils successful community development in Canada.

Far too much stress has been laid on the growth and expansion of urban communities in Canada, and far too little thought given to sound and healthy development. Every encouragement has been given to the subdivision of land, the enlargement of urban boundaries, and the extension of street car services, often with the plea that there must be no congestion of population. We cannot, however, continue to indefinitely accept population statistics, building permits, bank clearings and assessment rolls as substitutes for true community welfare based on satisfactory housing, combined with reasonable taxation. The larger cities of Canada have to face great problems arising out of rapid development before the war, and the check and dislocation of business and industry resulting from the war. But even greater social problems are presented by the satellite municipalities adjoining the larger cities. Many of these municipalities are developing on areas planned on city lines, and attempting to provide street improvements and public utilities, educational establishments and other features on city standards. But these municipalities have not the same sources of revenue as the cities, they have not a proportionate number of business or commercial establishments, and often what industries they have are there because of special concessions limiting taxation. It has been conclusively proved that the ordinary working man's home, built in promiscuously developed areas, cannot furnish sufficient revenue to supply the necessary street improvements in addition to the general charges involved in municipal administration. In many places there is evidence of unrest and dissatisfaction where working people have at great sacrifice built a small home, and now find that they are taxed in excess of the resident of the city; without in any way sharing in the advantages of the city resident in cost of street car transportation, use of public libraries, facilities for the higher education of the children, and similar benefits. It is these people who live in these areas who form the source of supply for labor in the industrial and business establishments upon which the city depends for its revenue and wealth. Contented and healthy workers are essential to the true prosperity of any business, and the most progressive and successful industrialists of the present day realize that good housing of the employees is essential to success.

To secure the most economical and most efficient dwellings for the working classes in Canada, it must be realized that there cannot be imposed an inordinate ground rent resulting from speculation in land values long before the land is required for use. It must also be realized that dwellings of the working classes cannot carry the charges involved in making streets fit for modern motor traffic, every street a highway. Much wider arterial highways than the standard 66 foot road are needed to prevent through traffic, and streets 40 feet in width are adequate for giving access to residential property and can be made more pleasant and safer for children, and constructed at half the cost of the standard width road.

The control of land development, and the planning to reduce the cost of site improvement is essentially a municipal function, and the improvement of the housing conditions of the working classes, and the reduction in municipal taxation, which is so vital to both employer and employee, can be more surely accomplished by attention to these matters than anything else.

Book Reviews

CANADIAN ALMANAC, 1928

The new edition of this important reference work continues the excellent traditions of the past. It is very complete and invaluable in the office where reference to any of the many subjects covered is a common occurrence.

The Almanac has become standardized over the 81 years of its existence, and is particularly strong in discussing taxation, bank branches, tariff, post offices and railroad stations, officers of governments, schools and churches, and in listing lawyers, publications, etc.

The authors are Arnold W. Thomas and Horace C. Corner, and the publishers are Copp, Clark Company, Toronto. Canadian Almanac sells at $3.50.

Finds Financial Post of Utmost Value

Editor, The Financial Post:

We are in receipt of your letter of advice and assure you that your publication has always been of the utmost value and interest to us.

—A West Indies Banker.

POST-scripts

IN A speech some time ago President Beatty of the Canadian Pacific referred to his road's bungalow camps. One of these camps, perched on a rocky cliff beside the company's track just after they cross the French River over 200 miles north of Toronto, well exemplifies its ability to develop traffic in what might at first seem unpromising parts of its territory.

This camp, begun in 1922, represents a total investment by the road to date of about $50,000, consisting of a dining hall and community centre and a number of one and two-room bungalows with accommodation for 85 guests in all, the whole served by a water system and an electric light plant. An outlying camp farther up the river has a wooden dining room and accommodation for 25 in canvas houses on wooden floors. Primarily a fishing camp, where they not only tell stories about catching huge sturgeon by the tail, but actually produce the exhibit, it has also canoeing and bathing facilities, a tennis court, and even a nine-hole golf course, blasted out of the wilderness with dynamite.

The Canadian Pacific does not operate the camp itself, but leases it year by year to a competent lessee, experienced in the summer hotel business, at a rental sufficient to pay a handsome return on the investment. A season's gross revenue now runs $25,000 to $30,000. This year it was necessary to turn away $5,000 worth of business in two August weeks for lack of space. The camp will probably be further enlarged for the 1928 season.

Up to about the end of August this year the camp registered over 270 guests, of whom 210 or 77.5 per cent. came from the United States and the remainder from Canada. New York, Chicago, Cincinnati, Detroit and Buffalo furnished the most American guests, but there were registrations from such distant points as Oklahoma City and San Diego, Calif. As automobiles can reach the camp from Toronto only by a circuitous route through North Bay, the Canadian Pacific naturally gets a good haul both ways on this American business, generally either from Detroit or from Buffalo by way of Toronto.

IT IS a matter of record that when the call to arms came back in 1914 there was a ready and complete response by the fraternity of the stock, bond and real estate brokerage business.

Further, it is a matter of record that this keen, quick-thinking type made good officers, mostly material for the higher commissions.

A certain western financial house is manned by an executive personnel almost wholly recruited from war veteran officers. The firm is proud of its executive list, reading so much like a roll call in the officers' mess.

The other day a young real estate salesman in a rival house had occasion to call one of the officers of the aforementioned firm. Almost he had succeeded in forgetting the war. He enlisted as a private, fought blithely as a private and demobilized gladly—still a private. He was not a soldier. He was a salesman.

"Hello, John Doe & Co.?" he asked the switchboard operator. "Is Mr. Wilson in?"

"Do you mean Major A. B. Wilson?" the girl replied, noticeably and somewhat coolly emphasizing the nominal prefix.

"Well, if you like it that way," said the youth.

"No, Major Wilson is not in just now."

"Oh, he isn't, eh? Well," —brusquely—"you tell him, as soon as he comes in, to call Private J. McL. Saunders at F. P. Brank & Sons, will you?"

CHATTER heard before any club fire in Canada on New Year's morning:

Big Butter and Egg Man: Well, I'll say 1927 was a good year for me.

Small Potatoes: How was that?

Big B. & E. Man: I made over $100,000 on the market.

S. P.: How did you manage that?

Big B. & E. Man: I had a system.

S. P. (diffidently): If it is not too much trouble, I should like to know how—

Big B. & E. Man: Perfectly simple. Every Monday morning I'd go to Bubble & Squeak, my brokers. I would get hold of Mr. Bubble and we would go into the board room. I'd then stand in front of the board—

S. P.: The New York or the Montreal Board?

Big B. & E. Man: Either one; it didn't matter. Then I'd close my eyes and spit, walk up to the board and put my finger on it. It would land on BLA or POO or some other column with code letters at the top. I'd then turn to jolly old Bubble and say: "Buy me a hundred of them there." And a ripping good system, too.

An investor, who followed this admirable—at least in 1927—system, could hardly have failed to make profits, and substantial ones at that. For instance, the Greenshields Weekly Review says that the Greenshields index, which is the average of fifteen representative Canadian stocks, stood at 333 at the end of last year as compared with 233 at the beginning of 1927—an advance which has not been equalled in the nineteen years in which these records have been kept by Greenshields and Company.

The concluding paragraphs of the Review sensibly stress the need for more careful and thoughtful investment during 1928. There can be no doubt that the tactics pursued by most investors in 1927, if persisted in during the present year will result in losses.

The National City Company sounds a similar warning in its January "Investment Securities" pointing out that some of the new financing during the past year has not been of a character to bear close examination. Obviously some of these new securities cannot be classed as sound investments.

All of which is additional evidence supporting the cautionary attitude which has been urged on investors in recent weeks. The stock exchange pot still boils merrily, but a pot that boils too energetically sometimes boils dry.

FOLKS and Finance

GEORGE M. McKEE, vice-president and managing director of the St. Maurice Valley Corporation and also president of the Port Alfred Pulp and Paper Corporation, is the chief executive of both these newsprint companies. But he is perhaps not as well known to investors as some other business men occupying less important posts; the reason being that until his appointment to Port Alfred and St. Maurice he was connected with paper companies in which there was not a large investment interest in this country.

But George McKee's record in the past has been one of continuous success. One example of his achievements was the recent sale of the Donnacona Paper Company to new interests. Mr. McKee financed, built, operated and brought Donnacona into the low cost producer class. The shares which he originally distributed to the public in the preferred stock issue changed hands in the recent deal at a price equivalent to $500 a share.

As Others See Us

Taxation of Utilities

Niagara Falls Review.—The Review has, for many years, campaigned against the exemption from taxation enjoyed by public utilities and that position is also held by The Financial Post, which, in a recent issue, devotes a long editorial to the subject.

The crux of the whole situation is summed up by The Post, when it says that putting taxes on utilities "is taking money out of the pockets of those who buy utility service and putting it in the treasury for the benefit of the general public. All citizens do not use the utilities to the same degree."

Our Investments Abroad

Hamilton Spectator.—When one speaks of the enormous investment of outside capital in Canada, there is one angle that is sometimes lost sight of, and that is the amount of Canadian capital which is invested abroad. The Financial Post analyzing the situation, says it is difficult to say whether Canada is actually drawing more money from the United States and Britain, its two chief sources of capital funds, than it is sending out to European and South American countries, investing in American enterprises and utilizing to repurchase its own securities formerly sold abroad. Making a rough estimate, The Post calculates that, while Canada has drawn $5,300,000,000 of foreign capital, it has invested about $1,200,000,000 of its own funds abroad. Not only have these investments been made, but Canadian manufacturers have established branch factories in the United States and conducting other enterprises there. These enterprises are of a diversified character and represent an important investment. Besides these, there are large undertakings controlled by Canadian companies in countries other than the United States, especially in South America, many of them public utility undertakings. For a young country, industrially, the situation is reassuring. These foreign investments total up to a significant figure.

Stock Market Transactions
All Stocks All Markets
Cochran, Hay & Co. Limited
[illegible]
TORONTO
[illegible]

Comments

Remarkable Remarks by Interesting People

Rt. Hon. Ramsay MacDonald: "Any policy of boycott is the [illegible] language. It shows poverty of resource, whatever it may express."

Ivy Lee, professional press agent of New York: "The capitalist system is not perfect in any absolute sense, but the profit motive is the best energizing motive I know of."

A. E. Ames, investment banker, Toronto: "Rewards to most people will come from the exercise of a few old-fashioned qualities, such as steadfastness, fitness and industry."

Dr. Mildred Trotter, Washington University School of Medicine, St. Louis: "Shaving has no effect on the growth of the beard."

Professor R. Bennett Bean, of University of Virginia: "Environment molds the fittest under different environment and heredity carries on the results."

Lord Hewart, Chief Justice of England: "I have never committed, and I will never commit, at any future [illegible] Justice of England, summoned as he is to the House of Lords, not to vote but to a lifelong and compulsory silence upon the affairs and the concerns of the state."

"Stop Me If You've Heard This One"

"How did you like it up to the city?" asked a [illegible].

"Well, all I've got to say," replied Bud Rubb of [illegible] back from the Big Burg, "is that I wish I'd gone before I got converted."

For January Investment Funds
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Take Stock

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Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post

WEEKLY REVIEW OF CONDITIONS

Revenue from Industry Presages Greater Buying Power
New Wealth Largely Concentrated in Western Canada
Dollar Volume of Business Takes Sharp Upward Swing
Employment Situation Best in Past Eight Years
Higher Operating Expenses Affect Railway Earnings

GROSS revenue from industry in Canada during 1927 was the largest of any recorded in the post-war period. An estimate prepared by the Financial Post Year Book places the total at $5,734 millions, as compared with $5,654 millions in the year preceding.

This additional revenue, amounting to $80 millions, will have a pronounced, beneficial influence on business for the next six months. It may even have an appreciable effect on business until after that time, but after the half-year much will depend upon the growing crops and other factors which have a vital influence on trade in this country.

Analysis of returns bears out the statement made in these columns that most of the new buying power will be concentrated in the Western Provinces. While the Maritimes have registered a substantial gain in revenue, and Ontario and Quebec have more than held their own, it is to the West that business will have to look for more extensive buying.

Buying Power in West

Of the Western provinces, British Columbia will have the largest buying power. Though the returns for Alberta are not as high as those of the Pacific Coast province, on a per capita basis, they total more in the aggregate than any of the four provinces, so that the heaviest buying will come from that source. Manitoba is the only Western province showing any appreciable decline in purchasing power.

One is justified in assuming, therefore, that those industries catering directly to the farmer will secure the major portion of the increased buying power. Agricultural machinery manufacturers, in particular, are in favorable position. Producers of cement, hardware tools, lumber, and other products in general use on the farm also may expect an increase in business during 1928.

Various year-end reviews have all been optimistic in tone. Keenness of competition in all lines of business has been stressed. It is undoubtedly true that the margin of profit has been less on account of the lower selling values, and no compensating factor in other directions. The dollar volume of business, however, has been much greater, and in the aggregate net profits have approximated those of 1926.

"Dollar Volume" Sets Record

While the final total figures for 1927 are not available, those for the month of November and for the eleven months period, show a substantial increase over the preceding year. The dollar volume of business in November last, as measured by bank debits, was at a much higher point even after adjustment for seasonal tendencies, than in any month since January, 1924. The increase in bank debits over November, 1926, was 42.5 per cent. and over that of the previous month, 18 per cent.

The total debits during the first eleven months of 1927 were $31,800 millions, as compared with $27,515 millions in the same period of 1926, an increase of 15.6 per cent. Each of the economic areas showed an increase in this comparison, the Prairie Provinces, as a result of the large November total, attaining a lead over the same period in 1926.

Most of the increase was shown in Quebec and Ontario, where the gains were 23 per cent. and 19 per cent. respectively. British Columbia had a gain of nearly 5 per cent., and the increases in the Maritimes and Prairie Provinces were 1.6 per cent., and 1.1 per cent., respectively.

Employment Higher

Hand-in-hand with the encouraging report on the dollar volume of business is that of employment. The seasonal losses in employment recorded at the beginning of December were on a smaller scale than those on the same date in any other of the last eight years except 1922, and the situation continued better than on December 1 in any previous year of the Government's record.

Statements received from 6,276 firms show a total payroll at the beginning of last month of 886,430 persons, compared with 892,143 in the preceding month. On an index basis, December employment stood at 106.8. This is a decline of .7 from the previous month, but is considerably higher than on any other December 1st since 1920.

The most noteworthy losses were again indicated in construction and in lumber mills, while unusually pronounced improvement was reported in logging and trade. Mining, transportation and iron and steel plants were also busier. All except the Prairie Provinces registered curtailment, the largest recessions taking place in British Columbia and Ontario.

Railway Earnings Lower

It is now apparent that the railways did not do as well in 1927 as in 1926. Though the volume of freight moved was greater and the mileage covered longer, higher expenses caused a decline in net earnings. Readjustments in the Western rate structure in the early part of September, together with increased wages, are given as the cause of larger operating expenses.

The situation is not unsatisfactory, though the National Railways will report another net loss, after taking care of funded debt charges, the deficit will not be much larger than in 1926, and will be considerably less than in other years.

According to the weekly reports on revenue freight, car loadings for fifty-one weeks were nearly 100,000 more than for all of 1926. At the same time, cars received from connections declined about 15,000, but in the aggregate, the volume of freight moved was appreciably greater. There is no reason to expect a let-up in freight loadings during the next few months, as there is a record quantity of grain at the head of the lakes to be moved to the Atlantic seaboard.

SPENDING POWER OF CANADA RISES BY $80,000,000

British Columbia Replaces Ontario With Largest Per Capita Buying

Eighty million dollars was added to Canada's spending power as a result of productive efforts during 1927.

It is estimated by the Financial Post Year Book that the gross revenue received from all industries last year totaled $5,734,819,700. This compares with corrected figures of $5,654,202,175 in 1926 and $5,599,913,237 in 1925.

A survey of the major sources of revenue for 1927 discloses the fact that while the volume of production exceeded the records of other years, the margin of profit was lower, due to the decline in selling values. In certain industries this had an important bearing on the aggregate gross income received.

Checked by Adversities

The year has been featured by a number of adversities which held in check what would otherwise have been by far the most prosperous year in the history of the Dominion.

On the basis of the latest government returns and by carefully estimating production for the balance of the year, the Financial Post Year Book credits Ontario with receiving the largest income in 1927. Quebec continues to occupy second place. Alberta, which had been in fifth position in respect to income, moved up to third place. This is the best showing made by any province in recent years. Following in order of importance from the standpoint of gross revenue were British Columbia, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island and Yukon.

The extent of income, together with the various changes which have taken place in the relative standing of the different provinces are shown in the accompanying table.

B. C.'s Position

On the basis of these figures, British Columbia will have the largest per capita purchasing power of any province in 1928. In the preceding year, Ontario ranked first, though the difference between the two provinces was small. For the past year it is estimated that British Columbia recorded a slight increase in revenue while that of the older province declined.

Alberta's advance from fifth to third place was largely due to a bumper crop and resultant increase in revenue. Preliminary estimates indicate a revenue from agriculture of over $336,000,000, as compared with about $255,000,000 in 1926, an increase of $81,000,000. Mining and manufacturing were also more active.

Saskatchewan's revenue shows a slight decline from 1926, the difference being due to the smaller value of field crops. The drop in Manitoba's agricultural revenue of about $36,000,000 was sufficient to offset gains made in other branches of industry.

Revenue received by Ontario in 1927 was only slightly lower than that recorded in the preceding year. This was accounted for in a large measure by the decline in agricultural values, mining, forestry, water power show fair-size increases, while manufacturing remains at about the same level.

Quebec's Increase

There was a general all-round increase in the revenue derived by Quebec from its various industries. Forestry, fishing, trapping, manufacturing, electrical power, construction, show better values, while that of agriculture is practically the same as in 1926.

The poor growing season in the Maritimes affected the yield and value of crops, which in turn partially offset gains made in other industries. Taking the three provinces as a whole, gross revenue totaled $337,500,000, as compared with $325,145,000 in the previous year. The improvement was brought about by better conditions in the fishing, mining and manufacturing industries.

Revenue by Provinces
(000's omitted)

	1926	1927
Prince Edward Island	$ 31,522	$ 27,767
Nova Scotia	153,696	163,578
New Brunswick	139,927	146,164
Quebec	1,4[illegible]867	1,502,807
Ontario	2,3[illegible]919	2,327,541
Manitoba	291,323	268,750
Saskatchewan	420,283	403,957
Alberta	367,733	458,277
British Columbia	425,572	431,862
Yukon	4,357	4,616

Revenue by Industries
(000's omitted)

	1926	1927
Agriculture	$1,668,175	$1,660,387
Forestry	450,000	489,405
Fishing	5[illegible],360	29,291
Trapping	15,072	16,768
Mining	241,245	241,773
Electric power	98,600	108,195
Construction	372,947	398,300
Manufacturing	2,751,800	2,760,700

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest 1927	Latest 1926	To Date 1927	To Date 1926
Pig iron, tons (Nov.)	37,989	52,345	646,500	683,532
Steel, tons (Nov.)	80,730	54,311	811,390	718,395
Newsprint, cwts. (Nov.)	190,293	164,798	......	......
Automobiles (Nov.)	6,617	9,828	175,991	197,340
Boots and shoes, pair (Sept.)	1,719,693	1,534,143	13,416,180	12,872,541
Flour, bbls. (Oct.)	2,005,000	2,231,000	13,814,000	15,103,000
Construction—				
Contracts awarded (Nov.)	$30,260,500	$34,972,800	$382,269,600	$359,222,800
Building permits (Nov.)	$12,849,089	$9,975,451	$173,707,177	$144,877,789
Labor—Employment index (Dec.)			106.8	101.1
Transportation—				
Car loadings (to Dec. 24)	64,982	53,866	3,349,776	3,210,225
C.P.R. gross (Nov.)	$21,993,751	$21,524,116	$182,378,500	$180,233,610
C.P.R. net (Nov.)	6,375,794	6,749,723	37,842,404	43,328,944
C.N.R. gross (Oct.)	$25,181,542	$26,292,428	$219,708,431	$216,711,581
C.N.R. net (Oct.)	7,688,003	8,585,671	33,341,597	37,143,519
Population—				
Emigration (Oct.)	7,962	.....	107,141	......
Immigration (Oct.)	9,433	10,018	118,458	100,899
Trade (Nov.)—				
Imports	$94,311,883	..(12 mos.)	$1,085,630,230	$1,003,485,204
Exports	153,118,718	..(12 mos.)	1,226,481,091	1,305,715,729
Imports of key products (Nov.)—				
Rubber, lbs.	4,292,041	..(12 mos.)	58,123,868	46,265,412
Cotton, lbs.	11,986,796	..(12 mos.)	133,550,734	137,544,744
Sugar, cwt.	657,799	..(12 mos.)	9,836,667	11,275,929
Petroleum, gals.	64,977,787	..(12 mos.)	806,310,451	675,856,465
Coke, tons	75,468	..(12 mos.)	780,595	1,052,087
Exports of key products (Nov.)—				
Newsprint, cwt.	3,599,372	..(12 mos.)	37,381,429	34,254,360
Automobiles, pass. (No.)	2,403	..(12 mos.)	42,879	54,434
Wheat, bush. (Nov.)	52,805,237	..(4 mos.)	98,502,855	94,636,274
Wheat Flour, bbls.	1,149,474	..(4 mos.)	3,239,304	3,296,012
Finance—				
Failures, number (Oct.)	183	180	1,466	1,437
Failures, liabilities (Oct.)	$3,095,476	$3,188,689	$24,735,094	$24,083,172
Bank Debits (Nov.)	$4,150,724,796	$2,915,658,907	$31,839,425,196	$27,514,880,175
Bond Sales	....	....	$609,037,874	$565,278,644
Stock prices index (Dec. 10)	....	....	553.4	229.3
Insurance sales (Nov.)	$44,935,000	$44,251,000	$453,539,000	$424,283,000
Wholesale prices (1913-100)—				
General Index (Nov.)	....	....	152.2	151.4
Iron	....	....	141.4	145.7
Cotton	....	....	165.7	106.5
Grains	....	....	163.1	158.0
Cattle	....	....	127.1	91.7
Rubber	....	....	60.9	64.8

Per Capita Payment of Over Five Dollars is Income Tax Levy

Ontario Leads All Provinces in Amount of Tax Paid

FEWER TAXPAYERS

Farmers Pay Smallest Share, Whose Major Portion is Accredited to Western Provinces

Over five dollars per capita was paid by Canadians in 1926-27 to the Federal Government on account of income tax. According to the commissioner of taxation, $48,096,411 was collected during the year, of which $47,386,309 represented income war tax and $710,102 business profits tax.

In comparison with the previous year, there are a number of changes of importance. The Government's action in granting a 10 per cent. reduction in the net amount of tax payable undoubtedly accounted for the major share of the decrease in payments from $56,248,042 to $48,096,411. This is particularly noticeable in the amount paid by employees, which declined from $13,973,094 to $7,838,526.

There was also a slump in the number of taxpayers, returns for 1925-26 showing 231,750 taxpayers, while for the year just closed only 121,806 paid, a reduction of nearly 50 per cent. The greatest change in this regard took place among employees, the drop being from 168,984 to 81,456, or in practically the same ratio as the decline in the tax paid.

Greater care has been taken in preparing the income tax returns, and the whole has been divided off into 13 divisions. Manufacturers paid more than any other class, the amount being $13,972,353. Employees ranked next in importance as a source of revenue with a total paid tax of $7,838,526. Collections in other divisions together with the number of taxpayers, are shown in the accompanying table:

	Number	Amount
Agrarians	3,293	278,397.48
Professionals	6,387	1,248,191.20
Employees (including those working for salaries and part time work)	81,456	7,838,526.50
Merchants, retail	9,166	2,984,526.54
Merchants, wholesale	1,572	2,250,032.30
Manufacturers	2,813	13,972,353.17
Natural Resources	376	2,905,369.02
Financial	4,976	5,357,647.25
Transportation and P.U.	306	4,875,878.06
Personal Corporations	128	717,173.85
Family Corporations	279	318,150.38
All Others, N.O.P.	11,054	5,034,296.48
Unclassified	....	420,498.41
Deductions	....	814,731.42

Ontario with its greater diversity of income and larger population leads all provinces in the amount of tax paid. Quebec ranks second, followed by British Columbia. Details of payments made under the income war tax act in 1926-27, are as follows:

Tax Payments by Provinces

Prince Edward Island	$ 28,160
Nova Scotia	539,842
New Brunswick	524,820
Quebec	15,587,881
Ontario	22,631,659
Manitoba	2,393,249
Saskatchewan	659,257
Alberta	1,170,951
British Columbia	3,832,151
Yukon	19,833

Analysis of the returns show that as in former years farmers paid the smallest amount of tax. A total of 3,293 agrarians made returns to the government from whom $278,397 was collected. Furthermore over half of this amount, $144,344, was paid in by Saskatchewan farmers. By provinces the total income tax paid by agrarians was as follows: Prince Edward Island, $5,179; Nova Scotia, $546; New Brunswick, $1,765; Quebec, $2,418; Ontario, $33,384; Manitoba, $6,493; Alberta, $67,760; British Columbia, $16,505. It will be noted that the major share of income tax paid by farmers was credited to the Western Provinces.

It is rather difficult to reconcile the above figures to the value of agricultural production in the different provinces, as reported from time to time by the Federal Department of Agriculture. That Prince Edward Island should pay a higher tax than either New Brunswick or Nova Scotia is understandable in view of the intensive farming methods and high productivity of that province.

Returns for Quebec and Ontario give one cause to wonder. On the basis of income tax payments, farming in Quebec can only provide a bare living for the majority of farmers, as only 14 paid tax in 1926-27. Ontario, with its larger and wealthier farm population, would naturally be expected to make heavy payments. According to the Commissioner of Taxation's report, however, only 253 farmers in that province earned more than the statutory exemptions allowed. Moreover, the average tax paid by the farmer in Quebec was $173 as compared with $131 in Ontario.

Western farmers apparently do much better than their Eastern brethern. Saskatchewan heads the list with 1,772 taxpayers contributing to the government's coffers $144,344. Alberta paid $67,760, representing the returns of 927 agrarians, while 223 Manitoba farmers paid income tax to the amount of $6,493. British Columbia is relatively low on the list, only 45 farmers in that province having paid income tax totaling $16,505. The average, however, is higher than in any other province.

Payments made by the professional class were lower than in the preceding year and there is no change of importance in the geographical distribution of revenue or number of payments. About half of the total revenue received from "natural resources" is credited to Ontario. Quebec is far in the lead, on a per capita basis, in the income tax payments under the heading of "financial."

It is not entirely feasible to make comparison in the number and amount of tax paid by manufacturers. Owing to the larger number of classifications, it is quite likely that those taxpayers classified as "manufacturers" in the preceding year have been redistributed under another division for 1926-27. The returns, however, show that 2,813 manufacturers paid income tax of $13,972,353, representing the largest single source of income under the act. This revenue was derived from the following provinces:

Manufacturers' Tax Payments

	No.	Amount
Prince Edward Island	5	$ 1,502
Nova Scotia	98	66,496
New Brunswick	56	100,911
Quebec	723	4,004,678
Ontario	1,546	8,657,211
Manitoba	106	282,968
Saskatchewan	30	17,784
Alberta	94	131,346
British Columbia	155	1,174,549

Merchants have also been more accurately classified, two divisions being formed, one for retailers and the other for wholesalers. This income was credited as follows:

Retail Merchants

	No.	Amount
Prince Edward Island	61	$ 4,875
Nova Scotia	292	49,281
New Brunswick	352	46,864
Quebec	1,504	629,789
Ontario	3,951	1,698,728
Manitoba	518	69,901
Saskatchewan	921	130,604
Alberta	739	115,777
British Columbia	820	238,802
Yukon	8	400

Wholesale Merchants

	No.	Amount
Prince Edward Island	8	4,200
Nova Scotia	46	57,684
New Brunswick	49	12,864
Quebec	434	362,382
Ontario	604	622,063
Manitoba	236	799,646
Saskatchewan	39	78,955
Alberta	59	224,914
British Columbia	97	87,321
Yukon	4,357	4,616

Of more than ordinary interest is the report on income tax payments made by family and personal corporations. While many industries operate in Canada under the control and ownership of an individual or family, a number of companies have been formed solely for the purpose of minimizing payment of taxes which the individual would necessarily have to make. The Act has been changed from time to time to cover instances of this kind, but until this year no information had been available as to the number or amount of tax collected from personal or family corporation. The following tables, giving such details, are, therefore, interesting and informative:

Personal Corporations

	No.	Amount
Prince Edward	..	$ .....
Nova Scotia	..	.....
New Brunswick	33	16,909
Quebec	22	503,616
Ontario	45	140,136
Manitoba	17	35,067
Saskatchewan	..	....
Alberta	4	1,808
British Columbia	7	19,636

Family Corporations

	No.	Amount
Prince Edward Island	8	5,830
Nova Scotia	13	21,679
New Brunswick	65	153,214
Quebec	120	72,457
Ontario	5	2,031
Manitoba	9	5,194
Saskatchewan	22	11,017
Alberta	37	46,724
British Columbia	..	....

As will be seen from the foregoing neither Nova Scotia, Prince Edward Island, Saskatchewan, nor the Yukon has any personal corporations, while the Yukon and Prince Edward Island are the only two to report no family corporations. It will also be noted that nearly two-thirds of the tax paid by personal corporations was derived from Quebec.

There are no comparative figures for transportation and public utility companies. While revenue from this division is credited to all provinces, nearly 75 per cent. came from Quebec, where the Canadian Pacific, Montreal Light, Heat and Power Co., Shawinigan Water and Power Co., and other large organizations have their headquarters.

Ontario Attracts New York Dairy

The Rosedale Dairy Co., of New York, is invading Canadian territory and buying up cheese factories around Kingston, with the purpose of making soft cheese for the Scotch trade of New York and its environs. The firm started with a factory on Wolfe Island and has recently bought two more cheese plants at Pine Hill and Woodburn, in the Township of Pittsburg, just west of Kingston. The combined capacity will be 1,000 pounds of cheese per day.

Business Conditions in United States

Business during the week ended December 24, as seen from data on check payments, was larger than during either the preceding week or the corresponding week or 1926, according to the weekly statement of the Department of Commerce. The general level of wholesale prices showed an advance over the previous week but was still below a year ago. Prices of cotton averaged higher than in either prior period. Iron and steel prices, however, showing no change from the previous week, were lower than in the corresponding week of 1926. Receipts of cotton into sight were smaller than in the preceding week, showing a substantial decline also from the same week of last year.

Loans and discounts by Federal Reserve member banks, though showing no substantial change from the previous week, were considerably higher than a year ago. The Federal reserve ratio again declined from both the preceding week and the same week of last year. Prices of stocks listed on the New York Stock Exchange showed no material change from the previous week but were substantially higher than a year ago. Loans by Federal reserve member banks in New York City to brokers and dealers, secured by stocks and bonds, reached a new high point during the week. Interest rates on call loans averaged higher than in the previous week, but were substantially lower than in the corresponding week of 1926. Bond prices declined somewhat from the previous week, but were still above the level of 1926. Interest rates on time money, although showing no change from the previous week, were considerably lower than in the same week of 1926.

Production of bituminous coal during the week ended December 17 was greater than in the previous week but smaller than a year ago. The output of lumber during the same week, although smaller than in the previous week, was substantially greater than a year ago. Petroleum production receded from the previous week but was still larger than in the same period of a year ago. Receipts of wheat at primary markets declined from the previous week, but were higher than in the same period of 1926.

Weekly Business Indicators
Relative Numbers, average 1923-25—100

	1927 Dec. 17	1926 Dec. 18
Bituminous-coal production	100.6	138.3
Lumber production	102.3	90.0
Beehive-coke production	...	71.8
Petrol'm production (daily av.)	118.0	115.1
Freight-car loadings	...	99.1
Bldg. contracts (27 states)	123.5	176.0
Wheat receipts	74.2	61.8
Cotton receipts	142.7	237.7
Cattle receipts	104.1	103.5
Hog receipts	109.2	90.0
Price No. 2 wheat	...	97.9
Price cotton middling	71.3	46.3
Price iron and steel composite	84.8	92.3
Fisher's price index	92.9	94.7
Bank loans and disc. (total)	122.4	115.1
Debits to individual accounts	121.3	118.7
Interest rates, call money	97.0	118.2
Business failures	123.6	103.9
Stock prices	186.0	144.4
Bond prices	110.9	107.3
Interest rates, time money	97.1	105.7
Federal reserve ratio	89.3	89.9

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Pulp & Paper

Up to $7 Per Share is Estimated Earnings of St. Maurice Valley

Taken All Round, It is Thought That Annual Statement of Corporation Will Prove Eminently Satisfactory Reading for Shareholders

From Our Own Correspondent

MONTREAL.—As nearly as The Financial Post can estimate, the earnings of the St. Maurice Valley Corporation for the year just concluded will run to between $6 and $7 a share on the 160,000 shares of no par value common stock outstanding. Until the publication of the annual report within the next five or six weeks, there can be, of course, no official confirmation of these earnings figures. But shareholders who figure on about $6 or $7 a share during the past year on the common stock will not be doomed to disappointment when the annual report makes its appearance.

Last year the corporation showed earnings of $8.61 a share on its common. But the fiscal year covered a thirteen months period and covered also a period in which the market for newsprint was materially stronger than it has been during the twelve months just concluded. Operations of the Canadian mills during 1927 have been conducted on the average at not much over 80 per cent. of their capacity during the year. Thus, taking these factors into consideration, the showing made by the corporation in 1927 may be considered satisfactory.

At the conclusion of its initial fiscal year at the end of 1926, the corporation had a working capital of well over $5,000,000 with a ratio of current assets to current liabilities of about two to one. This year, the annual balance sheet will show that the company has bettered its position materially. Taken all round, it is thought that the annual statement of the corporation will prove eminently satisfactory reading for the shareholders.

The shares of the St. Maurice Corporation change hands in the vicinity of $75—a figure, which on earnings, compares more than favorably with many of the other newsprint producers.

Anticosti Corporation to Ship Next Summer About 200,000 Cords

Parent Companies Agree to Purchase Minimum of 390,000 Cords of Pulpwood Annually Up to November 30, 1929

From Our Own Correspondent

MONTREAL. — The Anticosti Corporation will ship out about 200,000 cords of pulpwood next summer.

The corporation is one of few pulpwood organizations in the Dominion which carries out cutting operations in the summer time. Cutting began June 15 last, and the latest report indicates that some 140,000 cords have been cut. The total cut will amount to about 160,000 cords which, together with the logs left over from last year's drive, will bring the shipments in 1928 up to 200,000 cords.

On the island, the company has to provide equipment, food and supplies for a logging organization of 1,700 men and 400 horses. In addition, there are 500 women and children in the town, in which there are two churches and a school to accommodate 140 children.

Summer Logging

Summer logging operations are possible on Anticosti due to the absence of flies and mosquitoes and to the fact that heavy fogs keep the vegetation moist and thus reduce, more than materially, the fire hazard. The long daylight also increases the amount of work that can be carried out in a day. The logging operations are carried out both at the company's own camps and also by jobbers. The company has completed the erection of a loading dock, and its complementary equipment. In addition, a combined freight, water and merchandise wharf has been built.

The three parent companies of the Anticosti Corporation, the St. Maurice Valley Corporation, the Port Alfred Pulp and Paper Corporation and the Wayagamack Pulp & Paper Company, have installed additional pulpwood handling equipment to take care of the shipments of raw material from their subsidiaries.

The principal and sinking fund requirements of both the Anticosti Corporation bonds and its preference shares is secured by an agreement entered into by the corporation and the three parent companies whereby the owners of the Anticosti Corporation agree to pay stumpage fees annually which will take care of the sinking fund and interests requirements of the bonds and preferred whether or not the parent companies purchase the minimum amount of pulpwood required under the contract with the subsidiary. The parent companies have agreed to purchase a minimum of 390,000 cords of pulpwood annually up to November 30, 1929, when the amount will be increased to 420,000 cords.

PORT ALFRED PULP IMPROVES POSITION

Substantial Betterment in Earnings Due to Increased Newsprint Capacity

From Our Own Correspondent

MONTREAL.—Earnings on the common stock of the Port Alfred Pulp and Paper Corporation for the year just concluded will be shown in the forthcoming annual report at between $6 to $7. At least, this is the figure which The Financial Post estimates will be shown. From what information is available, it is one on which the shareholders can rely.

In addition the forthcoming report will show that during the year the company has materially strengthened its balance sheet position. Earnings on the common stock last year amounted to $2.30 a share. It can be seen, therefore, that 1927 witnessed a more than substantial betterment in the earnings due naturally to the company's increased newsprint capacity.

Port Alfred's common shares have been changing hands of late at around a figure of $100 which at first glance might appear to be out of line with some of the other newsprint companies. But any thought on the price of the shares leads to the belief that they are selling at a price comparable to, and in many instances more attractive than some of the other newsprint stocks.

The reason being that Port Alfred has operated during the past year at a percentage of capacity below that of the most of the mills. The reason being that the company is one of the newer newsprint organizations and has not been able to obtain the markets filled by the older producers.

With its new and efficient plant, and with a material proportion of its capacity still unutilized, the shares of Port Alfred should change hands at a figure in excess of older plants which during 1927 operated at a figure much nearer capacity.

Inter. Paper to Buy Newfoundland Power

From Our Own Correspondent

MONTREAL.—At the meeting of the debenture holders of the Newfoundland Power & Paper Company in London, the debenture holders formally agreed to the sale of the company to the International Paper Company. The £2,000,000 "A" stock and the £2,000,000 "B" stock will therefore become an obligation of the new Newfoundland subsidiary of the International Paper Company.

Several New Pulp Mills Projected in Nova Scotia

From Our Own Correspondent

MONTREAL.—Several new pulp and paper mills are projected in Nova Scotia. It is said that the Royal Securities Corporation has submitted plans for the establishment of a two hundred ton newsprint mill to the government, conditional upon the provincial development of the water power necessary to operate the plant.

Ralph P. Bell, of Halifax, a large pulpwood operator, is reported to have submitted plans for the establishment of another two hundred ton newsprint mill, conditional upon the government agreeing to a thirty year lease of crown land.

The A. P. W. Pulp and Paper Company, which has been exporting pulpwood for some years, is understood to be making an offer similar to Mr. Bell's, and James T. Cumming, of New Glasgow, also has a plan for the erection of a pulp mill on the Strait of Canso, to utilize the timber on the crown lands of Cape Breton.

EARNINGS MAINTAINED

MONTREAL.—Earnings of the Dominion Iron and Steel Company are being maintained at a rate sufficient to meet the first mortgage bond interest on the property. The receiver, the National Trust Company, has paid the interest coupons due January 1.

The Forest Industries of Quebec

Forest Policy Necessary to Protect Areas From Waste

By B. K. SANDWELL. Article Six

The preceding articles in this series have been designed to show (1) That the preservation of the forests of the province, as the indispensable basis for the continuance and expansion of the more advanced types of forest industries, is of immediate and vital importance to the financial and social interests of every resident or property owner of the province;

(2) That such preservation can only be secured by action of the provincial government, following consistently upon the lines of a definite and well designed forestry policy; so that it is to the interest of every one in the province to use his political influence to press for the adoption of such policy;

(3) That among the most important sources of loss to the forest areas are the fire risk, the impediments to proper forest management which result from the introduction of settlement into areas naturally unsuited for any purpose except forestry, and the exportation of unmanufactured wood (in cases where such exportation is in no way necessary for the assistance of legitimate agricultural expansion.)

In the present and final article it is proposed to describe the type of forest policy which will most efficiently safeguard the forest areas from waste and destruction, without sacrificing any legitimate interest of any other class of society or any other type of business.

Classification of Area

The first and foremost requirement for any such scientific administration of the forests of the province as will ensure the maintenance of adequate pulpwood supplies for future generations is a classification of the entire accessible area of the province into zones suitable for agriculture and zones unsuitable for agriculture and therefore definitely consecrated to forestry. Between these two classes there might be constituted a third class, consisting of land not wholly unsuitable for agriculture in respect of soil or climate, but at present rendered unavailable for agricultural use by reason of its location. This intermediate class of land could be reserved from settlement, not in perpetuity as in the case of the absolutely unsuitable land, but for periods of ten years at a time until the expansion of population and the spread of agriculture brought it within range of profitable farming.

This work of classification, involving as it does the permanent decision of the future destiny of vast areas of valuable soil, should obviously be performed by persons with an authoritative scientific knowledge of soil qualities, climate, transportation, markets and the like. It is equally obvious that the authority which performs this work of classification should be as free as possible from political interference. The work of classification, while it should be commenced at the earliest possible date, ought not to be hurried, for it is vitally important that its results should be so accurate as to be beyond the possibility of question by any reasonable critic. The most suitable mechanism for performing the work of classification would seem to be a special board or commission, consisting largely if not entirely of experts on the geographic and economic questions involved, and including representatives of the various types of industry and commerce which would be affected.

The lands classified as permanently unsuitable for agriculture should be dedicated in perpetuity as forest reserves, to be employed for no other purpose than the supply of raw material for the forest industries. It is believed that the lands properly definable under this category would be found amply adequate to maintain the supplies required by the lumber, pulp and paper industries now established in the province. One of the most important results of such a classification is that it would provide the government with the necessary knowledge of the available permanent forest areas, to enable it to regulate any further expansion of the forest industries in such a way that it should not outrun the supply of raw material.

Agricultural Land

Land classified as being immediately suitable for agriculture—that is as being cultivable in respect of soil and accessible in respect of location—would obviously be withdrawn from all forestry employment, except for such use as could be made of it from year to year so long as it was not actually required for immediate settlement. There would be no objection to the granting or continuance of timber licenses upon it, but these would be subject to various restrictions additional to those imposed on the permanent timber lands, and having in view the eventual conversion of the land to agricultural uses. The license holder would be fully aware of the impermanence of his tenure and would manage his business accordingly.

The execution of this policy would in due course relieve the forests of the province from several of the most serious causes of preventable wastage with which they are now afflicted, most of which are closely associated with improper and unjustifiable colonization. It would leave an ample supply of land immediately available for agricultural expansion, and would indicate in advance the areas into which that expansion must penetrate, thus facilitating the provision of good roads and railway services. It would also relieve the government departments from the pressure now constantly applied for the opening up to colonization of unsuitable territory.

In this process of classification it would be important that the various classes of land should be laid out in large enough blocks to be, so to speak, self-contained and self-protecting. It frequently happens that a large block of many square miles of pure timberland is intersected quite deeply by a narrow strip of cultivable soil, usually along the valley of a river. But unless the total area of this cultivable soil is fairly considerable it would usually serve the public interest better to include it in the land dedicated to forestry, in order to avoid breaking up a manageable block of forest land and introducing the risks attendant upon the coming together of forestry and settlement. There is not the same objection to the occurrence of small areas of forestable land in agricultural districts, for the reason that the forest does no harm to agriculture, but such isolated timber-lands would not in any case be of much value for forestry.

Permanency of Classification

It is, of course, of the highest importance that any such classification as we are here considering should be absolutely permanent in its effect. This is not to suggest that the sovereign power in such matters, namely the provincial government, can divest itself of its sovereignty and hand it over to a commission. It merely means that the work of the commission must be regarded, by any government which happens to find itself in power, as being so authoritative that it cannot be revised or upset in any particular except for the gravest of causes and after an equally careful examination by an equally authoritative body. Forestry is a scientific business, the practice of which requires planning and calculation, not for a year in advance, for ten years or a generation, but for centuries. If the forests are to be so managed, it must be possible to manage them in the absolute certainty that they will permanently continue to be regarded as forests in the eyes of the law. Uncertainty on this point—the lack of any authoritative and permanent classification, and of any assurance that any particular block of land will be reserved for forestry in perpetuity—is the outstanding weakness of the existing system.

The adoption of the system of permanent classification will in itself do more than anything else could do to bring about the other improvements which are necessary for the safety of the forests. Devices for fire protection need to be made more complete and more diversified than they are at present; and to some extent the burden of this task, especially in unlicensed areas contiguous to those which are being operated, must fall upon the government. In the main, however, the work of fire protection is carried out, and will continue to be carried out, by the operating companies themselves, and, as already shown, the permanent dedication of forest land will remove the chief obstacle which now stands in the way of adequate and efficient fire protection service in the licensed areas. The same classification will simplify the government's task of inspection and enforcement of regulations in the agricultural areas adjacent to forests.

Forest Reservations

The adoption of the forest policy here outlined must be the result of action by the provincial government. But in matters such as this no government can go far in advance of the public opinion of its people. Public opinion in the province of Quebec has perhaps been less effectively awakened to the necessities of the case than in some of the other provinces. In Ontario, for example, 18,366 square miles have been permanently dedicated to forestry purposes, as compared with only 2,500 in the province of Quebec. A comprehensive forest survey is now being completed in Ontario, and has already been performed in Nova Scotia and British Columbia with excellent results.

The Government of the province of Quebec enjoys in an unusual measure the confidence of the people of the province. The provincial exchequer is prosperous, and the province itself has enjoyed several years of notable economic advancement. If the people of the province wish the preservation of their forest heritage, upon a scale adequate to maintain the operations of an industry which has proved of incalculable benefit to them in innumerable ways, they have only to express a definite desire, and the time is most propitious for its execution. It is hoped that these articles will have had the effect of stimulating at least some considerable proportion of their readers to a sense of the imperative need of an adequate forest policy, and of the ease with which it can be designed and carried out.

Quebec Forests; Last of Series of Six Articles

The forests of Canada are one of the chief props of the nation's economic life. The Financial Post publishes this week the sixth and last of a series of articles on the forest industries of Quebec. The articles will have a value for every citizen of Canada for the influence of forest industries in building prosperity is nation-wide. The conservation of the forests is not a problem confined to any one province. Every property owner, every business man and every resident is directly and materially concerned in the continuance of the supplies of the raw material upon which the forest industries depend.

Later The Post hopes to discuss the forestry problem of other provinces.

Construction is Completed on Spruce Falls Power

From Our Own Correspondent

MONTREAL.—The construction work on the Spruce Falls Power & Paper Company's electrical power plant at Smoky Falls is completed, and machinery is being installed which will be in operation in March, ready to deliver some 70,000 horsepower to the mill at Kapuskasing. The company's mill buildings have been completed. The first newsprint machine will go into operation in May and the second shortly afterwards. As soon as the first two newsprint machines begin to operate in May, work on installing a third and fourth machine will begin.

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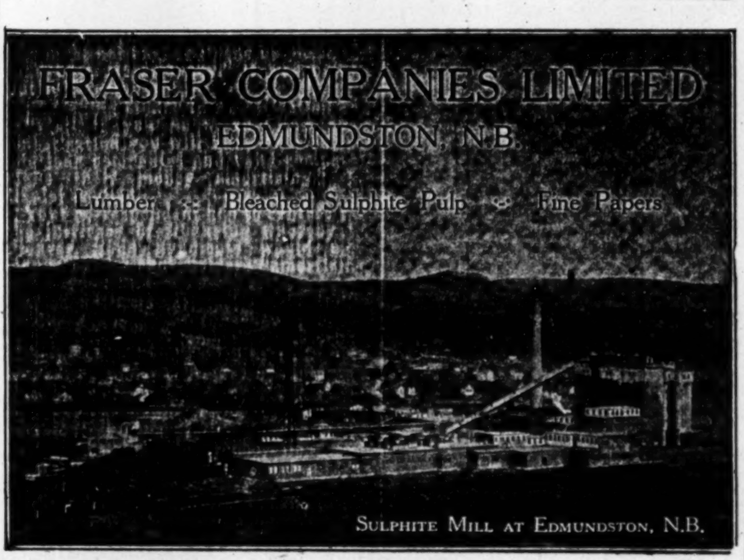

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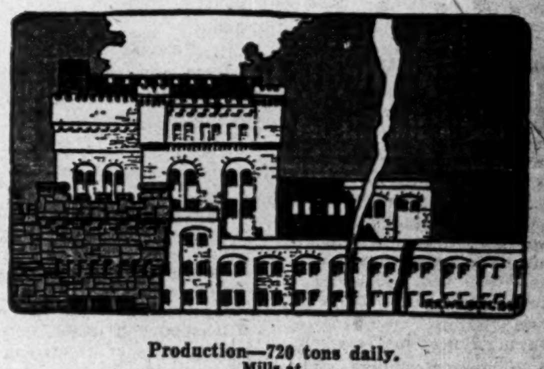

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining, insurance inquiries on sheets separate from other investment inquiries.

International Power

I have some International Power common. Will it sell higher? What do you think of the future of these shares?

We think you can hold this stock for two or three years with every possibility of a satisfactory appreciation at the end of that period.

Imperial Tobacco

I hold 50 shares of Imperial Tobacco. How should I view these holdings? Are they an investment? Are they a speculation? Or are they good for quick action marketwise?

We believe you can regard your Imperial Tobacco holdings as a business man's investment and retain the stock over a period of years.

Steel of Canada

I hold some preferred shares of the Steel Company of Canada which I bought some time ago as an investment but on which I now have a nice profit. Do you think I would be wise to sell?

We think you should hang on to your Steel of Canada preferred. It is a sound investment stock and, as it is participating, over a term of years you should obtain an appreciation.

International Nickel

On the information published by The Financial Post, several months ago I bought International Nickel at $51. I only hold a small block of the stock. Should I seize my profits now?

International Nickel we regard as an excellent three year hold. It is speculative but as it comprises only a small proportion of your holdings we would advise you to keep it for several years.

International Utilities

I have 25 shares of the A stock of the International Utilities. These I bought at 47. How do you regard these holdings of mine?

From your International Utilities "A" purchased at 47 you are obtaining a very substantial yield. We think you may well retain these shares, and regard them as a high yield business man's investment. Ultimately we look for higher prices.

Canada Cement

Do you consider that the common shares of the Canada Cement Company are an attractive purchase at the present time?

The present market price of the common shares of the Canada Cement Company places about a 20 per cent. increase on the total value of the property as compared with the price at which it changed hands within recent weeks.

In other words, the present market price of the common stock gives an indicated value to the property very largely in excess of the figure at which the management thought the company was a good sale only a few weeks ago.

Montreal Power

I am a business man. A not inconsiderable proportion of my holdings are invested in Montreal Power. I have been strongly advised to purchase more of this stock at present prices. Would you advise me to do so? Or what other Canadian power stock looks as satisfactory as Montreal Power?

At the moment, we anticipate little immediate appreciation in your holdings of Montreal Power. We believe that your holdings are large enough at the moment. For the future, you might purchase some shares of Shawinigan Water and Power. To our way of thinking, these present perhaps a possibility of an earlier appreciation than the shares of Montreal Power.

Industrial Alcohol

What do you think of the shares of Canadian Industrial Alcohol?

Canada Industrial Alcohol looks to us to be an excellent purchase for a business man. As compared with many other distillery stocks, the shares are selling at what appears to be a very satisfactory price. For a long hold, we believe that the stock will appreciate or else there will be further stock bonuses given to the shareholders. The shares must be regarded, though, as a business man's buy as the prosperity of the company depends on the liquor legislation in the Dominion. However, Canadian Industrial Alcohol recently purchased the control of a Scottish distillery which sells its products throughout the world. The business of this subsidiary is being developed. If there should be any decrease in the domestic consumption, the parent company might be able to make up any declining profits in Canada by increases elsewhere. The company is ably managed and at present prices looks like an attractive long hold purchase.

Dominion Alloy

Would you kindly advise me your opinion of Dominion Alloy Steel stock? Will it ever amount to anything?

It will be highly gratifying and quite as surprising if the stock of Dominion Alloy Steel Company of Sarnia ever amounts to anything.

Cosmos Imperial

What do you think of Cosmos Imperial Mills common? It appears to be inactive.

The long term outlook for the common stock of Cosmos Imperial Mills, is attractive, and we do not think that shareholders who are reasonably patient have anything to fear.

Ontario Tobacco

Would you kindly favor me with an opinion on Ontario Tobacco Plantations, Ltd., 7 per cent. preferred stock with bonus of common, being offered by J. F. MacKay & Co., Toronto?

Ontario Tobacco Plantations, Limited, 7 per cent. preferred stock is a speculation. In the past two years the growing of tobacco both for domestic and export purposes has assumed considerable proportions in Canada, on account of favorable treatment of Canadian tobacco exports to Britain under the British preferential tariff. In 1927, there was a very large increase in the acreage planted to this crop and preliminary reports indicate that the growers are having some trouble in marketing their crop. Provided that all conditions were favorable, this company should do well, but there are so many factors influencing its prosperity, that we would not consider it other than speculative.

Queen's Park Plaza

I am interested in securing some information re a 6½ per cent. bond issue of Queen's Park Plaza. What are their assets and their position with the bank? This issue is being sold through Ramsay, Stewart & Co.

We do not recommend for investment the 6½ per cent. bond issue of the Queen's Park Plaza Co. This issue Ramsay, Stewart are $875,000 second mortgage on the property. Ranking ahead of the 6½ per cent. issue Stewart Ramsay are $875,000 of 6½ per cent. first mortgage bonds, which are being handled by the United Bond Company. The land, building, furnishings, equipment, etc., of the Queen's Park Plaza Co. have been appraised by John Stark & Son of Toronto, at $2,217,093. The United Bond Company, however, on their own appraisal place the value on the above basis at $1,549,381. Deducting the amount of the first mortgage issue from the latter appraisal, you can see that the general mortgage bonds issued by Ramsay, Stewart & Co. are not too well secured.

Steel Company

In your issue of December 16 I see that among other stocks you recommend Steel of Canada. You state that you like the common stock better than the preferred, but I was unable to follow your reason for this. The preferred stock sells several points below the common, but as it is preferred and participates fully with the common, it would seem to be just as valuable, if not more so than the common.

In theory the participating preferred stock of Steel Company of Canada should be worth in the market slightly more than the common stock of the same company. Such has been the case until the last few months.

The change in sentiment for the participating preferred stock is due to the situation which has arisen in the Spanish River Pulp and Paper Company. The preferred stock of this company also is participating, but owing to the absorption of Spanish River by Abitibi, the participation rights of the preferred stock of Spanish River appear to be somewhat in doubt. The existence of a participating preferred stock is invariably a complication in the event of reorganization or merger. For this reason, the preferred stock of Steel Company of Canada is not quite so satisfactory a hold from the view point of the speculative investor as is the common stock of the same company.

We do not anticipate that in any situation which might arise with regard to Steel Company of Canada there will be any abridgment of the participation rights of the preferred shareholders. At the same time, the preferred shareholders might find it inconvenient or expensive to assure their legal rights if a situation should develop which would appear to abridge these rights. It is a remote possibility which has been brought to the attention of the investment public in the Spanish River situation.

L. R. Steel

I should be obliged if you would inform me of the present standing of R. L. Steel Stores. Have the shares any market value?

Stock in the old L. R. Steel Company has no value. Stock in Steels Consolidated has some market value although no dividends are being paid and the prospect is not immediate.

Clench Wheel

I have 200 shares in Clench Wheel at one dollar a share. I have a chance to sell them again at $1.10. Do you think I should sell them, or do you think it's a good investment.

Conservative investments often are highly profitable in the long run; among such investments are the common stocks of almost any of the larger utility companies in Canada. Clench Wheel apparently is not one.

Municipal Bankers

Will you kindly give me some information regarding Municipal Bankers Bonds yielding 5.75? How do you regard these from the standpoint of safety and marketability?

The bonds of the Municipal Bankers are comparatively safe, but we think that the yield of 5.75 is too low for a security of this type. There is little market for the Municipal Bankers bonds among the general public and re-sale would probably have to be conducted through the company itself.

Dominion Combing

A friend of mine bought some common shares of the Dominion Combing Mills at $50, and preference shares at $100, in August, 1923. I understand there has been an effort to make this concern break even by Mr. Clarkson. Would you kindly advise me what the shares are worth at present and what prospects are for this concern?

Dominion Combing Mills, Limited, is in progress of reorganization.

There is a remote possibility that the company under its new management and with the old capital reduced will be able to make progress.

The stock apparently has a market value of $7 for one preferred share and two common shares. The par value of the preferred is $100, and the par value of the common, $50.

Copeland Flour

I hold 20 shares, preference stock and 10 shares common in above company for which I paid $2,000. Is there any market for this stock, and what is it worth now. They stopped dividends about two years ago. Is there any likelihood of them paying dividends again?

The preferred shares of Copeland Flour Mills are quoted at $19 by a dealer in unlisted securities.

The company did somewhat better in 1926 than in 1924 and it is fair to presume that 1927 showed a further improvement. However, the report has not come to hand and we are writing for it.

The millers generally appear to have improved their position considerably in the last year and we think that possibly you would be wise to retain your holdings in this company for further evidences of betterment.

J. S. Mitchell

Early last September you told me that Alberta Pacific Grain looked like an excellent six months or a year's hold for a business man. I want to get into another stock now with the satisfactory profits which I have made on Alberta Pacific. What do you now advise? Or do you think I would benefit more by hanging on to my present holdings?

At present prices Alberta Pacific Grain stock is not too high. If you want to switch, you might consider J. S. Mitchell & Co., now selling at just below 40 on the Montreal Curb. We believe that you would do well over the next six months. J. S. Mitchell is a small company, but it is in a remarkably strong financial position. It pays no dividends, but in view of the increasing earnings and the financial strength of the company, we believe that there is no doubt that in the coming year, disbursement will be made to the common shareholders. Therefore, we believe the common stock is a purchase at present prices.

Security Holdings

I enclose a list of my security holdings and would be glad if you would look it over and make any criticisms that may occur to you from the point of view of security and desirability. As far as safety goes, I think I am all right, but it has occurred to me that perhaps my holdings look too much like that of an old woman, and I might do better to dispose of some of my bonds, which have all appreciated in value, and get into some of the desirable stocks.

We are inclined to agree with you that your investments do not entirely fit your circumstances inasmuch as you are in receipt of salary, do not have to provide for the future of children, are young and in a position to watch your investments. At the same time, while changing the character of your holdings, it will not be necessary to plunge to the other extreme.

Our suggestion, therefore, is that you dispose of approximately one-half or two-thirds of your bonds and with the proceeds thereof buy outright into a number of the sound and growing industrial companies of Canada. We have compiled a list of stocks which are selling on a low yield basis at the present time, but which, in our opinion, are likely to advance in market value in the course of the next several years if nothing serious occurs to retard the prosperity of the country. Such stocks as might be suggested are:

10 shares of Steel Co. of Canada.

100 shares of Canadian Canners second preferred, convertible into common stock on the basis of share for share.

10 shares of Montreal Power.

10 shares of Shawinigan Water and Power.

10 shares of Consumers' Gas Co. of Toronto.

10 shares of Christie Brown & Co. common.

At the present market value these would cost you approximately $8,500. The annual income would be approximately $282 at present dividend rates. The bonds which you would have to sell in order to buy these stocks are yielding you probably $500 per annum, so that the loss in income would be only a little more than $200 per year.

These stocks are not the most speculative on the market, and for this reason do not advance as rapidly as some others, but we believe that the investment is highly satisfactory in view of the high factor of safety as compared with a number of the more speculative stocks. Of course, you will observe that we have included in this a convertible second preferred stock and this probably is the most speculative of the 5 or 6 mentioned. Our information however, suggests that this company is going ahead rapidly and it is fair to assume that the stock will be a popular one now that the capital structure of the company has been corrected.

The bonds which you hold appear all to be of good character and we would not care to suggest which of these you should sell. Except that every investment holding of reasonably conservative character should have a background of government bonds, we presume you would be inclined to sell those bonds which give you the lowest yield.

Canadian Car

I hold five shares of Canadian Car preferred. What are your ideas regarding such a stock?

Your Canadian Car and Foundry preferred must be regarded as a business men's speculative investment. It gives you a high yield and appears to us to be a long hold. You can hang on to these five shares remembering, of course, that the stock is somewhat speculative. The company though, is doing a better business and the outlook for a long hold seems satisfactory.

National Debenture Corp.

Would you kindly supply me with any information which you might have on hand regarding the above corporation?

We do not recommend the 6 per cent. floating charge debentures of the National Debenture Corporation, Limited.

The balance sheet of the corporation as at the 30th of November, 1927, shows outstanding ahead of the floating charge debentures, 110,200 of 5½ per cent. short and long term collateral trust gold bonds, against which there is held in trust by the Trust and Guarantee Company security to the value of slightly over $118,000. This is just sufficient to comply with the trust deed which calls for collateral to the extent of 105 per cent. of the bonds outstanding. The assets back of the floating charge debentures include securities held by the corporation, bonds and other investments, totalling over $265,000. There is nothing to indicate the actual value of these securities or their marketability.

Foreign Power

What are your thoughts on the future market course of the shares of the Foreign Power Securities Corporation?

The future of the market for Foreign Power Securities Corporation depends on many factors. The price on the market here will naturally vary with the general ups and downs of market prices.

The physical position of the company depends on the progress which is made by its subsidiaries in France. Coupled with this, you must take into consideration also the question of exchange between the two countries which varies from time to time. It is impossible for us to give you any reasoned opinion regarding the future prospects of the French subsidiaries. The interests behind the company though, have made successes of other hydro electric enterprises and should be able to bring success to the French subsidiaries. In view of the satisfactory sponsorship of the stock, we would regard it as a suitable small speculation for a business man.

Cordasco

Can you give me any information regarding C. M. Cordasco and Company, of Montreal? Some of the members of this association sent this firm a small sum for foreign bonds. The bonds were not delivered and later the firm sent the purchasers notes. Later Cordasco asked these holders of his firm's notes to accept Russian bonds and also to put up more cash. Can you advise me what course the holders of these notes should pursue?

For years, The Financial Post has steadily advised investors not to purchase the offerings of C. M. Cordasco & Co. Hence, we are not on the best terms with this organization and are able to obtain little information concerning their operations.

As we understand it, the company got into difficulties some time ago and came to an arrangement with its creditors. Thus, the members of your association probably accepted notes in this settlement.

We certainly would not advise anyone to accept any bonds whatsoever from Cordasco & Co. In our opinion, they should hang on to their notes. Whether the notes will ultimately be met we know not. If they are not met at maturity, the holders can only take the usual legal action.

International Petroleum

"I have been told to purchase International Petroleum and put it in my safe deposit box. Is this reasonable?"

The above inquiry was answered by the Wall Street Journal as follows:

International Petroleum, while not in the investment class, seems to present long-pull possibilities. It is operated under excellent management, being controlled by Imperial Oil, Ltd., which in turn is controlled by Standard Oil Co., of New Jersey. Its holdings in Colombia and Peru, where the company operates, are most promising. The new oil emergency law brought into force by the Colombian government does not in any way affect the company's concessions, which were granted by the national government and perfected in conformity with the previous law.

Production of crude oil in Colombia during 1926 was limited to the capacity of the pipe line, plus the local requirements of the country. A total of 6,443,540 barrels was produced, as against 66,480 barrels in 1921. The company estimates 1927 production at 14,500,000 barrels, of which 12,500,000 will be exported.

Development of the Tropical Oil Co.'s concession (wholly owned by International) in Columbia indicates that 18,000,000 barrels of crude will be available for export in 1928 and subsequent years, and that this amount could be increased if further pipe line capacity over and above the present increase to 50,000 barrels a day is made available. During 1927, and for years to come, Colombia will be an important contributor to the world's supply.

In 1926, the company's crude oil output on its Peruvian properties was 8,632,106 barrels, against 10,750,000 for all Peru, and compared with production of 2,852,000 barrels in 1921. Acreage of proven territory has been further extended by carefully located test wells, and the future should speak for a considerable increase in production.

The company does not exhibit earnings statements or balance sheets.

Present yield on the stock at $1 annually is very small, and it appears to be selling at current levels in anticipation of an increase in production (which is very likely) and a return to more stable oil prices. The latter does not seem near.

Traymore, Ltd.

I noticed a recent news item to the effect that Traymore, Ltd., has purchased a piece of property off Bay St., Toronto, for a restaurant site, and that ultimately a twenty story building was planned for this property. Being interested in Traymore, I would like to know if this is a fact, for the reason that it would seem to me, from a shareholder's point of view, the company would be well advised to use their capital in expanding their restaurant business rather than going into the erection of large buildings, which might prove of more or less doubtful value as a producer of profits. If possible, I would like to know what amount of money was spent for this property by Traymore, Ltd., and the terms of payment.

Traymore, Limited, has bought a building on Bay St., Toronto. It is intended to renovate this building and have a business man's cafeteria in the basement and a service restaurant on the first floor. There is no intention so far as has been announced to construct a new building. The reference to a twenty-story building did not refer to the purchase by Traymore, Limited, so far as we are able to learn.

Traymore, Limited, will spend between $200,000 and $300,000 to make this restaurant one of the best of its kind and with the financial section of Toronto growing rapidly, it is reasonable to assume that the venture by Traymore, Limited, will be justified. The company already is operating a successful cafeteria on King St. East, Toronto.

The company is operating three restaurants in Montreal.

A restaurant in Oshawa, Ont., will be opened shortly.

Investment List

I would appreciate receiving some advice regarding the following bonds held by me:

$3,000 Province of Ontario, 5 per cent.

$1,000 Victory bonds, 5½ per cent.

$1,000 Anticosti Pulp and Paper Co., 6½ per cent.

$1,000 Jamaica Public Service, 6½ per cent.

$1,000 East Kootenay Power Co., 7 per cent.

$2,000 Canada Crushed Stone Corp., 6½ per cent.

$1,000 Northern Canada Power Co., 6 per cent.

Will you also kindly let me know what you think of Wright Hargreaves, as I am thinking of putting in $1,000? I will have about $1,500 to invest each year. What would you advise?

The list of bonds held by you represent a fair degree of diversification and are, in the main, sound. We do not think there is any necessity for you to change your holdings.

We consider Wright Hargreaves a good purchase. This is one of the best of the mining stocks listed on the exchange and represents attractive possibilities for a long hold. You state that you will have about $1,500 a year to invest. We would suggest that in future you purchase sound common stocks. The only criticism that could be made of your holdings at the present time is that they are a little top heavy with bonds. Your next investments might be made with safety in such common stocks as Montreal Light, Heat and Power, Shawinigan, City Dairy, Consumers' Gas, etc.

Ontario Tobacco Plant

We enclose you herewith clipping from your issue of the 23rd instant re "Ontario Tobacco Plant."

In this connection, we would call your attention to the fact that when Right Hon. Winston Churchill introduced the prefrential tariff on Empire-grown tobacco in his budget of 1925, he recommended, and Parliament approved recommendation, that the preference remain in force for ten years.

In view of this fact, we think it would be only fair for you to call the attention of your readers to the fact that the preferential tariff has therefore seven years yet to run.

We would call your attention also to the fact that little or no flue-cured tobacco is exported from Canada, this country importing last year over seven million pounds of this type from the U.S., on which a duty of 40c. per pound was paid. This is the type of tobacco grown on the Norfolk land owned by the Ontario Tobacco Plantations, Limited, prospectus of which is enclosed herewith.

In view of the inaccuracies mentioned above, we are of the opinion that your reply to the inquiry is calculated to do this company a grave injustice.

J. F. MACKAY & CO., LIMITED.

The above is a reference to an investment company made in The Financial Post of December 23, 1927. The comment was as follows:

The preferred stock of the Ontario Tobacco Plantations, Limited, is a business man's investment.

The idea back of the formation of this company is sound, but the fact must not be overlooked that if the British Government decided to again change the tariff on imports of tobacco, producers in this country would not be in such a favorable position in regard to the export market. There is, however, a growing domestic market, but we would judge from the literature put out by the Ontario Tobacco Plantations that they expect to market a considerable proportion of their crop in the British Isles.

Twin City Rapid

Would you advise the purchase of "Twin City" now?

Twin City Rapid Transit common stock appears somewhat attractive for a long hold, but urban transportation systems may be slower in effecting a complete recovery of earning power than is reasonable to suspect.

Bond Holdings

Here is a list of my holdings; shall I sell any of these; if so what shall I purchase instead?

You have a gilt-edged list of bond holdings. Your Montreal Power, P. Burns, McKinnon Industries, Bell Telephone, Northern Canada Power and Canada Cement bonds all look satisfactory to us.

Of your total holding of $21,000 you have $5,000 invested in City of Saskatoon and Saskatoon School District Debentures. You might well sell some of these bonds and reinvest in sound gilt-edged industrial bonds, which would give you a little higher yield.

Of your total holdings of $21,000 you have $15,000 invested in government, provincial or municipal bonds. These are, of course, all excellent but it seems to us that you have erred if anything on the side of safety. We think that you could quite safely invest only about 25 per cent. of your holdings in such high class bonds and place the remainder with safety in sound industrial issues.

It is impossible for use to advise you how to reinvest your assets without knowing your financial position. If you are a business man, we would advise you to go into common stocks of sound companies both in Canada and in the United States. We would recommend only those companies which have a long record of success behind them and which are in a strong financial position and which are leaders in their lines.

On the other hand, you may be dependent on your income from these holdings. In which case we would recommend bonds.

If you invest in bonds you should only obtain industrial issues which yield probably not more than 6 per cent. at the most. Canadian Canners bonds yield 3.86 per cent. at the present time. Montreal Tramways bonds yield 5 per cent. The St. Lawrence Paper Mills first mortgage bond issue would be a suitable investment for you. The Gatineau Power first mortgage issue would interest you, also. Belgo Canadian Paper 6's would, we believe, prove a satisfactory investment.

Our advice to you is to place yourself in the hands of a sound investment house which would make recommendations to you. If you pass on such recommendations to us, we shall be glad to give you an unbiased opinion on these suggestions.

If your financial position allows you to purchase common stocks, we would advise such common stocks as Montreal Power, Shawinigan, Bell Telephone and Consumers Gas, in Canada.

In the States, you might purchase stocks such as U. S. Steel, Consolidated Gas of New York, Corn Products, American Can or any other of the leading companies. There are 15 or 20 companies in the States with common stocks which may be regarded as investments. Such common stocks as General Electric in the United States, give indications also of appreciating over a term of years.

When Women Invest

Bride of Canadian Thinks Future of Canning Companies is Bright and Her Experience With Canadians Has Been Satisfactory

A WEEKLY FEATURE

On forwarding her check as payment on account on Canadian Canners second preferred, purchased at 19⅛, a New York bride writes to her broker:

"In my past eight weeks' experience as a housekeeper on my own I have learned to wield the can-opener mightily. I, therefore, feel that there is a good future in canners' stock, particularly Canadian Canners, (my experience with Canadians being most gratifying, and most particularly because you say it is preferred stock. Oh, preferred, by all means!"

Undoubtedly the lady knows whereof she speaks when she refers to the can-opener and the future of the canning industry. The public is beginning to appreciate the scientific virtue of goods which come out of a can and it hardly needs a demonstration to convince the average modern housewife that preparation of foods in canning factories is likely to be better than is possible in the more or less scientific kitchen.

This broker's customer's experience with Canadians is individual and need not be accepted as universal. Whether she was referring to Canadians as persons or to Canadian stocks, the fact remains that selection is wiser than blanket judgment. At the same time, it may be contended that there is an unusually attractive selection in Canada at the present time.

She is Gullible

When one reaches the comment on preferred stock, one gathers the impression that the cusomer is about as gullible as the one who selected stocks by the color of the certificates, to which a jocular reference is made in the same letter.

The virtues of a preferred stock, she might be told, lie not in its being preferred but in its being stock in a sound company. A preference as to dividends and assets is not worth cherishing if there are not dividends and real assets. Yet many investors go on cherishing preferred stocks—perhaps for the same reason that a woman who has bobbed her hair keeps the shorn tresses.

BONDS FOR A WOMAN

I would like to have your opinion upon the following bonds which I possess. What I am anxious to know is whether the principal invested in these bonds is absolutely safe.

$1,000 denomination, thirty-year 7 per cent. gold debenture of the Montreal Rail & Water Terminals, Ltd., due Aug. 1, 1956.

$1,000 denomination 7 per cent., 20 year first and refunding mortgage income gold bond. Series A, due March 1, 1947, of the Canadian Department Stores, Limited.

$2,000 denomination, 6 per cent., twenty year mortgage sinking fund gold bond, Series A, due July 2, 1945, of the Montreal Debenture Corporation.

$2,000 denomination, 6 per cent., twenty-year mortgage sinking fund gold bond, Series A, due May 1, 1947, of the Montreal Debenture Corporation.

$1,000 denomination, thirty-year, 7 per cent. gold debenture, due March 1, 1956, of the Canadian Rail & Harbor Terminals, Ltd.

$1,000 denomination, 6 per cent., general mortgage twenty-year gold bond, due March 15, 1943, Series A, of the Municipal Bankers' Corporation, Limited.

$1,000 denomination, 6 per cent., gen-
eral mortgage, twenty-year gold b
due Sept. 15, 1947, Series B, of th
Municipal Bankers' Corporation, Ltd.
It is not quite clear to me what th
difference between a first mortga
gold bond and a first mortgage sinki
fund gold bond is, and I would like t
have your opinion on this matter. A
any of the above second mortgages, o
do some rate lower than that?
I have been offered first mortga
bonds of Ontario Bakeries, Ltd. Is th
a good investment?
Some months ago I was offere
shares in the Tretheway-Ossian gol
mine at 50c. per share by a salesma
but did not invest. Did such a mine
ever exist?
I am sure your advice will be grea
appreciated, as many people, ignoran
of investment matter as I am, hav
told me of the great help your advic
has been to them.

Unfortunately the bonds mention
ed in your letter are not uniform
of the high type that a woman in
vestor, seeking safety primaril
should purchase.
The 7 per cent. gold debentures o
Montreal Rail and Water Termina
are not a gilt-edged investment. A
we understand the financial set
of this company, they are preced
by the first mortgage issue of $
000,000 and a general or seco
mortgage issue of $600,000, wh
the gold debentures themselv
amount to another $200,000. The e
terprise is doing very well and w
are informed that the warehouse
rapidly filling up. You are, there
fore, likely to do well enough on th
investment, but we would doubt
the bonds could be sold readily if y
were required to raise money o
them.
The first and refunding mortgag
bonds of Canadian Departme
Stores comprise a first mortgage o
some stores in this merger and
second mortgage on the others. T
position of the bonds has been ma
somewhat precarious by the tempor
ary trusteeship into which the com
pany has been forced.
Bonds of Montreal Deben
Corporation are secured largely b
mortgages in the city of Montre
The bonds seem to be well secur
although we have seen no rec
financial statement of this compa
The debentures of Canadian Ra
and Harbor Terminals are a seco
mortgage, there being a first mor
gage issue ranking ahead of the
debentures. They are well secur
and the company should not hav
difficulty in earning interest re
quirements on both issues.
Bonds of the Municipal Banke
Corporation are secured by mort
gages and some government an
municipal bonds. The issue do
not enjoy a wide market but seem
to be reasonably well secured.
A first mortgage gold bond and
first mortgage sinking fund go
bond are only distinguished by t
fact that in the latter issue a fu
is established into which the com
pany makes regular payments th
are set aside to pay off the bonds
they mature. This is called a sink
ing fund.
First mortgage bonds of Ontar
Bakeries have no doubt been con
siderably improved by the rece
acquisition of the company by inter
ests associated with Northern Bak
ies and may therefore be conside
safe enough for business men invest
ors. But we would advise again
their purchase by a woman.
Tretheway Ossian is a fair mini
speculation, but not as attractive a
many others. It is certainly not
stock for a woman investor to hol

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Established 1910

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A Book for Investors

Our book "Canadian Corporation Investments" has been prepared for distribution to investors who have a present or potential interest in sound Canadian securities. It describes Bonds and Preferred Shares of more than forty well-established Canadian companies—giving latest available figures on capitalization, assets and earnings.

The list is well diversified, including corporations engaged in public utility, industrial and commercial business fields.

"Canadian Corporation Investments" should prove of value to investors as a ready source of reference for essential and up-to-date information, both in connection with present holdings and when the investment of additional funds is contemplated.

Copies will be forwarded free upon request, together with a list showing current prices and yields.

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Important Cross-Section of Canadian Business

From a vice-president of the three or four largest banks in the United States comes the following letter which will interest members of The Financial Post's family of readers:

"I have just had the pleasure of reviewing The Financial Post for the current issue. It is a most interesting publication and I was not only impressed by its general appearance but by the tremendous scope of the activities you cover. The thoroughness with which your various feature departments present the news and data of current interest provides a source of reference and is an important cross-section of Canadian business."

Analysis of Investment Holdings

Periodical analysis of securities enables investors to maintain an accurate knowledge of investment holdings and to keep advised of any changes that may have occurred. The end of the year is a desirable time at which to make this survey.

If you care to forward a list of your holdings to us, we shall be glad to report upon the current market position and make suggestions that seem desirable. This service is without obligation or expense on the part of the client.

Correspondence is invited.

36 King Street West,
Toronto.
Telephone: Elgin 4321.

Wood, Gundy & Company
Limited

GREATER TRADE OPPORTUNITIES BECKON

Let Canada Expand her Export Business

Accomplishments of a Self-Reliant People

Total trade for fiscal year 1927	$2,298,465,647
Increase in total trade from 1900 to 1927	546 per cent.
Excess of exports over imports for fiscal year 1927	$236,680,637

Of Canada's exports the latest figures show 38.5 per cent. of fully manufactured goods and 14.4 per cent. of partly manufactured goods.

Canada now sells to more than 113 countries, including 30 under the British flag. Canada draws supplies from more than 100 countries, 30 of which are British.

Debt and Taxation Reductions

Debt decrease in 1924 fiscal year	$35,993,000
" " " 1925 " "	345,000
" " " 1926 " "	27,706,000
" " " 1927 " "	41,896,000

In spite of reductions in the rates of taxation, the prosperous condition of our people increased our tax revenues from $294,000,000 in 1925 to $346,000,000 in 1927.

During the present fiscal year loans maturing amounted to $100,000,000. Of this amount $55,500,000 has been paid off in cash, and the balance borrowed at a net price of 4 per cent., which is the lowest rate at which the Government has obtained money since 1912.

Security Prices Advanced

A review of the market quotations for December reveals the buoyant condition of the stocks of Canadian industries.

Hydro-Electric Development

Comparisons showing the strides made by the Hydro-Electric power industry:

Total installation of water-power plants at end of 1927	4,883,000 h.p.
Total installation of water-power plants at end of 1920	2,508,000 h.p.
Total installation of water-power plants at end of 1900	170,000 h.p.

It is estimated that the present turbine installation represents about 11 per cent. of the total resources.

Capital invested in water-power industry at end of 1927	$900,000,000
Capital invested in water-power industry at end of 1910	$121,000,000

Building Permits Authorized

Building permits authorized in 63 cities during first ten months of 1927 amounted to $160,858,088, which was 19.2 per cent. greater than the same period of 1926, the previous high record.

The Employment Situation

With January, 1920, indexed at 100, the employment index for October 1st last stood at 109.0, which is the highest on that date since this index was established. The loss of time through strikes or lockouts during the past year was almost the smallest on record.

Bank Debits

The total bank debits for the first ten months of 1927 amounted to $27,669,000,000 as compared with $24,599,000,000 in the same period of 1926, an increase of 12.5 per cent.

At the end of October the Canadian people had in notice deposits (savings accounts) at the banks, $1,406,041,000, an unprecedented figure.

Field Crops

The last estimate of Canadian field crops, as compared with other years, follows in bushels:

	1927	1926	1922–25
Wheat	444,282,000	409,811,000	386,864,000
Oats	452,421,000	383,419,000	493,649,000
Barley	98,242,000	99,684,000	87,584,000
Rye	16,070,000	12,113,000	20,761,000
Peas	2,779,000	2,635,000	3,179,000
Beans	1,090,000	1,159,000	1,259,000
Buckwheat	11,016,000	9,932,000	10,326,000
Mixed grains	34,707,000	34,559,000	30,938,000
Flaxseed	4,735,000	5,947,000	7,784,000
Corn, husking	4,355,000	7,815,000	12,492,000

The estimated value of field crops for 1927 is approximately 38 million dollars more than in 1926 and this in spite of generally lower prices.

AS is the custom at New Year's, the Department of Trade and Commerce presents a general survey of business conditions in Canada. While this review of national progress should strengthen the faith of every Canadian in his country, the Department urgently desires to point the way to the larger opportunity—export trade.

Canadians are exercising thrift, industry and intelligence—the cardinal virtues of business. The results are that almost without exception the statistics show 1927 to have been a prosperous year. Our trade has increased. Crops have been abundant. Our rocky shields, our forests, seas and lakes have yielded more of their riches. Industry has expanded. Relations between employee and employer have been agreeable. Work has been plentiful. Security prices have advanced. Capital has been encouraged. Taxes and debt have been decreased. We have a solvent country with our dollar at par or better the world over.

Look Beyond Our Boundaries

But what of the future? Our nine million people cannot consume more than a fraction of our ever-growing production, both of natural products and manufactures. We must look beyond our boundaries for markets if we are to continue to be prosperous.

To-day, Canada stands near the hill top. In total trade our country ranks fifth among the nations of the earth, while in population we are but twenty-seventh. As their forefathers blazed the trail into the wilderness, so can Canadian producers and manufacturers place their mark upon the channels of international business—and this with Government guidance.

We can produce quantities of many commodities other people want, and at a price they are willing to pay. We possess the raw material, and the engineering skill to manufacture hundreds of other commodities on which we can profit when sold abroad. Myriad tumbling waterfalls are ours to turn the wheels of industry. Adequate transportation facilities have been provided to carry goods to our boundaries and far beyond.

It remains for our producers and manufacturers to learn more fully of the opportunities awaiting them abroad. To help in this direction—to assist producer and manufacturer—to teach our people **"export trade consciousness"**—is the duty of this Department of the Government.

The Department of Trade and Commerce has an active organization in the principal trading centres of the world. Working under the direction of the Commercial Intelligence Branch at Ottawa, this organization has already enabled Canadian firms to obtain profitable and permanent markets in foreign lands. Canadian officials, strategically located, search out opportunities for the sales of Canadian products, and investigate all conditions under which these may be transported and offered for consumption. These official Trade Commissioners stand ready to assist the Canadian producer or manufacturer. Their whole effort, co-ordinated from Ottawa, is designed to create new markets for Canada, and help hold those we already have. Such a service is at the call of every Canadian who asks it.

Trade Service to be Expanded

During 1928 the Department desires that every producer or manufacturer should become acquainted with and interested in export trade. The benefits of such a trade are not confined to a few. Every wage or salary earner, every property owner, every business and professional man, every producer participates in the increase to the nation's wealth which export trade returns. All citizens, therefore, are concerned with the Government's efforts to promote its healthy and rapid extension.

As Canadians, heirs to an unequalled heritage, let us appreciate and grasp our larger opportunities.

**"Every nation has become the neighbour of every other.
The peoples of other continents sit at our thresholds."**

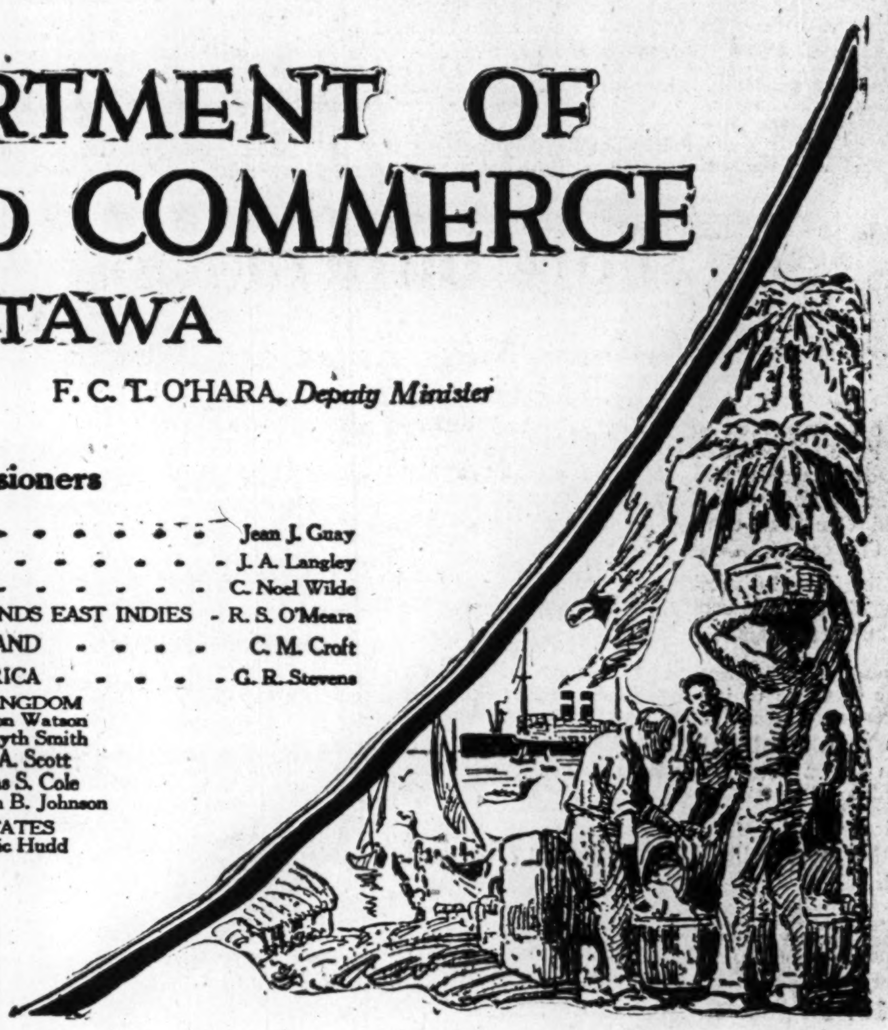
THE DEPARTMENT OF TRADE AND COMMERCE
OTTAWA

HON. JAMES MALCOLM, *Minister* F. C. T. O'HARA, *Deputy Minister*

Canadian Trade Commissioners

ARGENTINE - Chili and Uruguay	E. L. McColl
AUSTRALIA	D. H. Ross, B. Millin
BELGIUM	Yves Lamontagne
BRAZIL	A. S. Bleakney
BRITISH WEST INDIES	R. T. Young, P. W. Cook
CUBA	James Cormack
CHINA	L. M. Cosgrave
FRANCE	Hercule Barre
GERMANY	L. D. Wilgress
HOLLAND	A. B. Muddiman
INDIA AND CEYLON	H. R. Poussett
IRISH FREE STATE	F. W. Fraser
ITALY	Jean J. Guay
JAPAN	J. A. Langley
MEXICO	C. Noel Wilde
NETHERLANDS EAST INDIES	R. S. O'Meara
NEW ZEALAND	C. M. Croft
SOUTH AFRICA	G. R. Stevens
UNITED KINGDOM	Harrison Watson J. Forsyth Smith Harry A. Scott Douglas S. Cole Gordon B. Johnson
UNITED STATES	Frederic Hudd

Canadian producers or manufacturers, not already in touch with these Trade Commissioners, should write to the Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa.



Capital of Australia Embodies Most Ideas of Garden City Ideals

Canberra is Proving Odd Experiment in Civic Government

RULES ARE STRINGENT

Control of City is in Charge of Federal Capital Commission of Three Members

(From article in The Financial Post Government and Municipal Survey, 1927)

Australia is building a dream city! Twenty-nine years ago, Ebenezer Howard, the father of the garden-city movement, published his book entitled "Garden Cities of To-Morrow" and gave men a vision of what the "city beautiful" might be. To-day, this super-city is becoming an actual reality, and promises to be not only the most beautiful garden-city in the world, but also a unique experiment in civic government. The name of this city is Canberra, and it is being built by the Commonwealth Government of Australia.

Canberra—officially the accent is on the first syllable, but custom, as yet, has decreed otherwise—is situated in the south-east corner of Australia, in the State of New South Wales. It is about mid-way between Sydney and Melbourne, the two leading cities of the Commonwealth, and is about 80 miles from the coast. In area, the actual city will extend for about 12 square miles, but altogether the government has set aside some 900 square miles (576,000 acres) as a federal territory, in the centre of which will be built the city proper. Comparing this to some of our Canadian municipalities, the city area will be almost identical in size with that of Hamilton, Ontario, while the whole federal district will be about one-third of the size of Prince Edward Island.

Is Quarter-Century Old Idea

It is now some twenty-seven years since the idea of a federal capital was first broached in Australia, and the story is an interesting one. Briefly, the gist of the matter lies in the intense jealousy that exists between the two leading states of the Commonwealth, Victoria and New South Wales. Both states wanted the capital within their borders, and so the affair was finally settled by giving Victoria the temporary capital at Melbourne, and providing in the constitution for the creation of a permanent Federal territory in New South Wales at least 100 miles from Sydney, which is the capital of that state.

All this was settled some twenty-six years ago, but the legislators were loath to leave their beloved city of Melbourne, and what was more of a stumbling block, it was not until 1908 that a definite decision could be reached regarding a site. The final choice was made at Canberra, because the situation was considered admirable for the construction of a model city.

In 1911, a world-wide campaign was organized for designs for the new city. Some $15,000 was offered in prizes, and although the entries were received from many countries, the first prize went to an American, Walter B. Griffin. A modified form of Mr. Griffin's design was accepted by the Federal Commission, and the actual work of building, which was interrupted by the war, began some six years ago. On May 9th of this year the new capital was officially opened by the Duke of York, and the seat of government formally transferred from Melbourne to the garden city.

Commission of Three

Everything within the city and the Federal District is in charge of a Federal Capital Commission, which is composed of three members. This commission has the responsibility of building the city and also of controlling its affairs. The present plans call for the immediate erection of four residential hotels, four boarding houses, and some 500 houses for the use of civil servants. At present the hotels and boarding houses will be operated by the Commission, but later on will be turned over to a private enterprise. Not only are dwelling places being built and operated by the Commission, but for the present, ownership and management will extend to water supply, electricity, motor bus service, and both the laundry and baking businesses. The two latter functions are more due to the exigencies of the situation than to a desire to practice municipal socialism.

One of the fundamental principles upon which the commission will operate, will be that title to land shall always reside with the government. Thus the government alone will derive the profits that must accrue in the future, from the increases in property value. Although no land will be sold in fee simple, leases will be granted extending for a maximum of 99 years. These leases may be obtained by bidding at auction for the property. The rental property will be at the rate of 5 per cent. per annum, on the unimproved capital value of the land. This capital value will be determined for the first twenty years, by the amount of the final bid. At the end of the twenty years there will be a revaluation of property, with a corresponding readjustment of rentals, and thereafter further revaluations every ten years.

However, the commission is determined to allow no speculation on the properties within its purview, and to this end various regulations have been set forth. There is a provision in every lease, that building operations must be begun within twelve months of the purchase of the lease, and that the building must be completed within another twelve months. No lease can be sold until these building conditions have been fulfilled by the purchaser. Nevertheless, in spite of these restrictions, there have already been considerable profits made by original purchasers, due to the rapid increases in land values.

House Must Be Approved

As to the actual houses that are to be built within the city, the commission also has very definite views. In the first place all houses must be single-story, this being the general rule throughout Australia. On account of the climate, there will be no hot-water or central heating apparatus, the only source of heat being open fires. Electricity will be laid on for power, heating and lighting.

The prospective citizen of Canberra may build his own house, or (if he is a civil servant) he may either purchase a house direct from the commission or else may rent one. If the house is to be built, the site will be obtained by lease, but the plans for the building must be approved by the commission before the work commences. The houses built by the commission are of 27 different standard types, but in order to avoid monotony, no street will contain a row of houses of the same type. Purchase of these houses may be made either for cash, or on terms extending over a period of 25 years. Prices range from $4,500 to $9,700 exclusive of the price of the land. Rents vary from $4.50 a week up to $15 a week.

The plan of the city itself has been under the supervision of a Federal Capital Advisory Committee, which was appointed in 1920. This committee, who have submitted a voluminous report on the construction and cost of public works, industrial plans, zoning regulations, financial and land policies, etc., have achieved the feat of meeting existing conditions, without sacrificing the original plan. The committee was composed of five engineers, architects, and town planners, and the results of their work have amply justified their appointment. Good roads have been laid for miles around, and sewerage, water, and lighting systems are for the most part ready for use. There will be no street cars in the city and no overhead wires of any description will be allowed. Transportation will be provided by buses operated by the Federal Capital Commission.

Roads Radiate From Capitol

All the main roads of Canberra will radiate from Capitol Hill. The chief streets will be 200 feet wide, and there will be ample room for strips of garden down the centre and the sides. Outside the city proper, 150 square miles of territory will be reserved for parks and public purposes. All the city streets will be lined with trees, and all dwelling houses will have a flower garden in front and a kitchen garden behind. Trimmed hedges will separate the house plots from the streets, as no fences will be allowed on the frontage of any dwelling. Each block of houses will have a communal garden, and there will be large playing grounds in the suburbs.

Strangely enough there seems to be no great competition among the civil servants to come and live in Canberra. At present the only form of amusement in the city is one moving-picture theatre, and as yet there are few shops, and very limited educational facilities. However, these disadvantages are obviously only temporary, and within a few years, the inhibitions of isolation will undoubtedly be removed.

Apparently nothing has been left to chance in this dream city of Australia. The whole plan for the future development of the city is in the hands of the commission, and there will be no possibility of development in one direction at the expense of another. Only limited blocks of land will be leased at a time, and thus all parts of the city will have an equal opportunity for growth. The commission does not anticipate tremendous industrial growth in the city, but provision has already been made for an industrial area, apart from the business, governmental and residential districts.

New Capitol in 50 Years

The present site for the governmental buildings is only temporary—that is to say the buildings are being built to last 100 years, but it is anticipated that before fifty years have elapsed the permanent home of the government will have been built on the crest of Capitol Hill. The present site is lower down the hill, and the intention is to use these buildings as government offices at that time.

Undoubtedly the initial cost of building this city is exceedingly heavy, the Parliament Buildings themselves having cost some $2,500,000. However, the commission is looking forward to the time, in the not far distant future, when the entire cost of construction will be wiped out by the annual income accruing from the rents of business and residential blocks. Even now some of the business blocks have realized at auction, $400 per foot frontage, and by far the greater part of the land was acquired at little or no cost by the commission.

Many problems are of course as yet, unsolved, and the future of this garden city, will be watched with the keenest of interest by town planners in all parts of the world. For instance, the form of government in the new city is as yet unsolved. This question will probably be settled by the Commonwealth Parliament in due course. At any rate, no citizen of the city will be entitled to a parliamentary vote, a condition to most Federal Districts.

Largest Experiment Attempted

Even in modern times, experiments in garden cities have been few and far between, and none have ever been attempted on such a scale as the Garden City of Australia. Municipal authorities and city planning organizations will await eagerly the outcome of this unique experiment, and it is to be sincerely hoped that in the years to come it may be said of those who have created Canberra, "that they builded better than they knew."

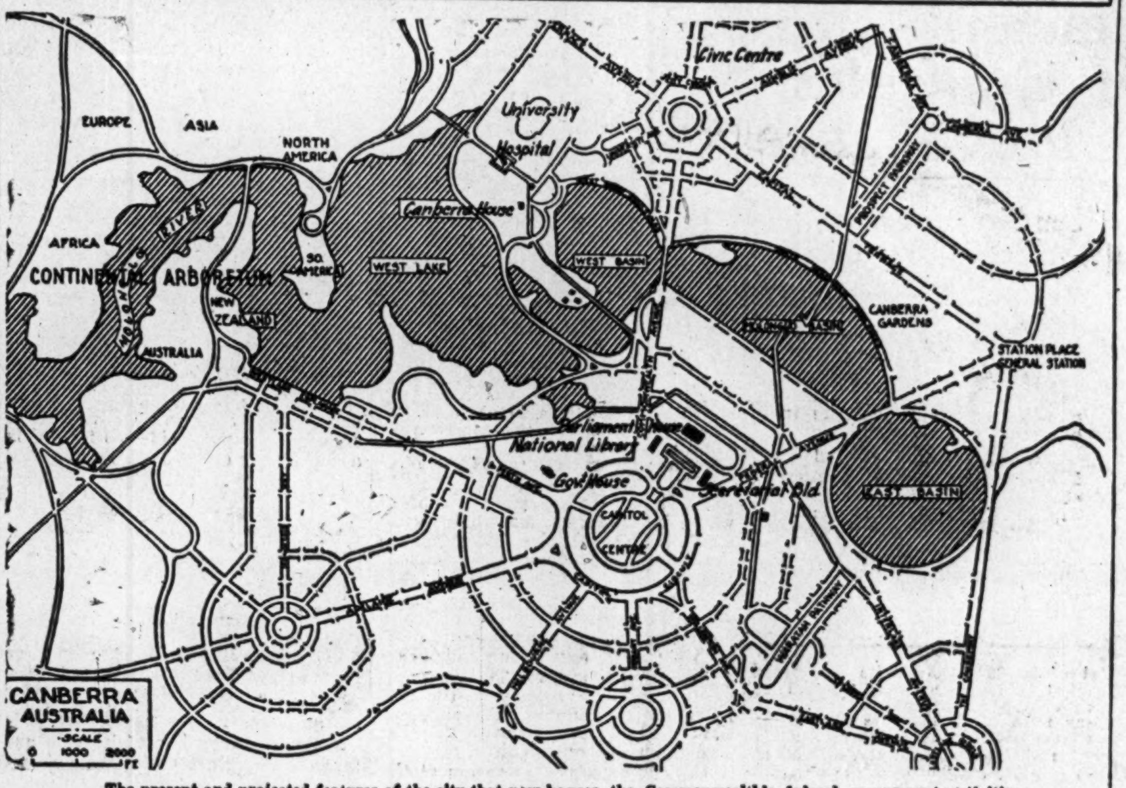
Newsprint Machines Increase in Size

From Our Own Correspondent

MONTREAL.—The size of newsprint machines continues to grow. The Backus-Brooks Company has ordered the largest newsprint machine in the world. It is to be installed in its plant at Fort William.

Up to the present, the Dominion Engineering Company, with the 270 inch machines which it has made for several Canadian mills, has had the record for size. The new machine which has been ordered in the United States will produce paper 304 inches wide. Its rated daily capacity will be between 150 and 175 tons of paper.

Canberra, Australia's Model Capital, as Planned



The present and projected features of the city that now houses the Commonwealth's federal government activities.

Both Coasts of Dominion Combine in Record Catch

On both coasts of the Dominion some 74,647,700 pounds of sea fish were landed during the month of November, valued at $1,492,323. During the same period last year 57,987,300 pounds were landed, with a value to the fisheries of $1,394,587. The increase is due principally to the large amount of herring taken on the Pacific Coast.

The total quantity of cod, haddock, hake and pollock landed on the Atlantic Coast was 12,116,800 pounds, compared with 14,807,200 pounds in the preceding November. The decrease is due to continued unfavorable weather conditions on the coast.

A considerable increase is recorded in the catch of mackerel, the catches being 1,011,500 pounds and 728,400 pounds respectively.

The new season for lobster fishing commenced in Charlotte and St. John counties, New Brunswick, during the month, and some 251,800 pounds were taken. These were all shipped in shell. During the same period last year the catch was 229,100 pounds, all of which were shipped in shell.

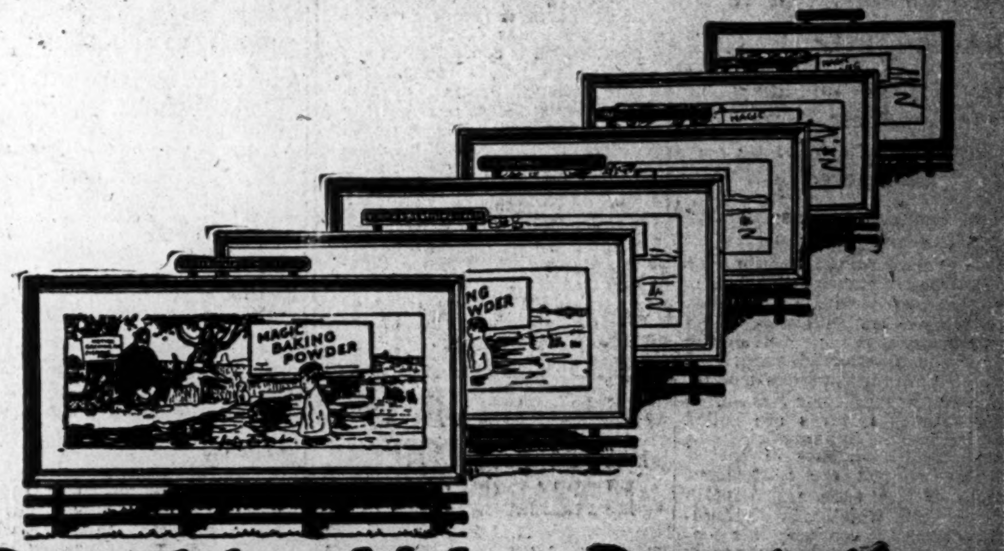
The closed season on the Pacific Coast for the halibut fishery came into force on the 15th of the month, and some 1,927,500 pounds were taken, which is a slight increase over the same period of last year, when 1,925,600 pounds were taken.

Some 40,093,500 pounds of herring were landed during the month under review as compared with 16,004,100 pounds in the preceding November. As usual the bulk of these fish were dry salted for the Oriental trade.

R. C. STEVEN BECOMES PARTNER

MONTREAL.—R. C. Steven has been admitted to partnership in the New York Stock Exchange house of Shearson, Hammill & Company. Mr. Steven is the manager of the firm's Montreal office. His admission to the firm is effective as of January 1, 1928. Mr. Steven will remain in charge of the Montreal branch.

Mr. Steven joined the firm of Shearson, Hammill & Company in February, 1914, succeeding W. P. Mackenzie as manager of the Montreal branch. Previous to joining the firm, he was for sixteen years in the service of the Bank of Montreal.



Repetition Makes Reputation

Poster Advertising Association of Canada
Bank of Hamilton Bldg., Toronto

To Canadian Investors:

WE BELIEVE that the present prosperity of Canada is the beginning of an era of great industrial development and expansion, the basis of which is Canada's wealth of natural resources, particularly agriculture, water-powers, forests and minerals.

To provide capital for this future expansion, particularly with regard to Canada's undeveloped resources, will require the raising of large sums of money. We have, during the last ten years, financed a large number of Companies incorporated for the purpose of developing Canada's natural wealth, notably its water powers.

When selling the senior securities of such Companies we have, wherever possible, given our clients a bonus of common stock, or share purchase warrants at a low price, thus permitting them to participate in the future expansion and profits of such Companies whilst receiving a good return on their investment through their holdings of senior securities.

That our clients have benefited by this policy is demonstrated by the following which are but a few of the issues we have distributed.

SOUTHERN CANADA POWER COMPANY LIMITED 6% Bonds sold at par with a bonus of Common Stock. The Bonds were redeemed at 106, and the Common Stock is selling at 112.

WINNIPEG ELECTRIC COMPANY 7% Preferred was sold at 90 with a bonus of Common. The Preferred is now 108 and the Common 98.

MANITOBA POWER COMPANY LIMITED 7% Bonds were sold at 98 with share warrants entitling holders to buy stock at $10 per share. These Bonds were redeemed last year at 105, and the Common is selling at 85.

ST. LAWRENCE PAPER MILLS LIMITED 6½% Bonds 1944 were sold at 99 with Common Stock warrants entitling the holders to purchase stock at $20 per share. These bonds were redeemed at 105, and the Common is selling at $100 per share.

CANADA NORTHERN POWER CORPORATION LIMITED 7% Preferred was sold at 99 with a bonus of Common. The Preferred is now quoted at 100 and the Common at 65.

EASTERN DAIRIES LIMITED 7% Preferred was sold at par with a bonus of Common. The Preferred is now 100 and the Common is 55.

POWER CORPORATION OF CANADA LIMITED 6% Preferred Stock was sold at par carrying a bonus of Common. The Preferred is to-day selling at 100 and the Common at 73.

Firm in the belief that Canada's development during the next ten years will be much greater than during the past ten, it is our intention to continue whenever possible to give our clients an interest in the equities, either in the form of a bonus with the purchase of senior securities, or through share purchase warrants.

In this way the investor participates in the future success and growth of such industries.

Every Canadian should be interested in building a greater Canada, by helping in the development of our vast natural resources.

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Vancouver

You Need This Information

As a Citizen, as a Business Man, Facts are Assets

"WHAT THE FRENCH-CANADIAN WANTS"

By HON. L. A. TASCHEREAU, K.C., M.L.A.
Premier of the Province of Quebec
As told to Leslie M. Roberts.

"WHAT OF THE SENATE?"

The pros and cons of the movement for reform of the Dominion's Upper Chamber.

By M. GRATTAN O'LEARY

READ THEM BOTH IN MACLEAN'S JANUARY FIRST

WAR'S AFTERMATH MUST BE BLAMED FOR PRODIGALITY

Comparison is Made Between Present Generation with Its Predecessors

PANACEA FOR ENNUI

Unless Excess Spending is Checked, Real Economic Development Will be Hampered

By HARTLEY WITHERS
(The Famous Economist)

"As a general rule, the rationality of the consumer may be expected, if not to keep pace with the amount of his income; at all events to be somewhat more pronounced as the result of the superior advantages of education and surroundings usually enjoyed by the wealthier classes."

These cheerful words are culled from Professor Seligman's great work on the Economics of Instalment Selling and are a pleasant example of the sane and hopeful optimism with which this distinguished economist conducts his enquiry. Since everybody, or nearly everybody, is always in a hurry to get rich, and since the wealth of the world steadily increases, in spite of the efforts of politicians, it is comforting to find that this veteran observer, who has so long been a keen-eyed watcher of economic progress, finds that intelligence and rationality in consumption grow almost automatically with the income of the consumer. And this hopeful conclusion has been reached by an American, in the land where extravagance and ostentation are usually supposed to be at least as rife among those who can afford them as on the eastern side of the Atlantic.

Rational Consumption

For American conditions, Professor Seligman's authority will be accepted by most people as final. In other parts of the world there is a fairly general opinion, especially among those old enough to compare the present generation with its predecessors, that the great transfer of wealth which was effected by the war put spending power, sometimes on a great scale, into the hands of people who did not know how to use it well; and that at least for the time being it is most unsafe to expect that the greater the wealth of the consumer, the more rational will be his or her exercise of the power that it brings. Even if this is true it does not necessarily prove that Professor Seligman is wrong, but only that it takes a little time for the possession of wealth to produce the effect that he traces and for those advantages of education and surroundings to which he refers to be shown in rational consumption.

The question is of the greatest practical importance, especially for Europe and England, which have been impoverished by the war, and can only get back to their old prosperity, and improve on it, by wise consumption, regulated with an eye to the needs of the capital fund.

British National Savings

The Colwyn Committee on National Debt and Taxation which lately made an exhaustive inquiry into the question of British saving power came to the conclusion that the "falling off in the national savings, equal to £150 millions, or £200 millions at present-day prices, gives ground for anxiety but not for pessimism." On the subject of spending, it reported that "many people have formed the opinion from their own observation that extravagance and luxury have increased, but this may merely mean that pleasure-spending has become more socially obtrusive than before, without having necessarily grown in amount. Thus it may be that there is more lavish expenditure in restaurants, dancing, etc., but that this is more or less balanced by reduced expenditure at home." In support of this view the decrease in the number of domestic servants is cited.

These cautious utterances only suggest an attenuated version of the conviction held by more outspoken critics of modern spending, that the after-effects of war, by upsetting so many ideas about the security of savings and the benefits of thrift to the individual, have produced a state of mind in which a large number of wealth holders think that the best thing to do with money is to spend it on immediate consumption, and that it does not much matter what it is spent on as long as it is spent somehow, in a way that will make a big splash.

Modern Child

It may be hoped that this tendency will not endure; for if it were generally prevalent, its influence would be a serious check to real economic development; but in other directions there are signs that the rationality of the consumer is not as sweetly amenable to expansion as Professor Seligman tells us that it is in America. One obvious symptom is the comparative inability of the present generation to amuse and entertain itself, and its greater dependence on professional assistance for ridding it of boredom during the greater leisure that is secured for it by the progress of science as applied to industry. The number of theatrical and other entertainments which are essential to the amusement of the modern child or youth, if it is to be rescued from ennui during its holidays, seems to indicate a vacuity of mind that is somewhat disconcerting from the point of view of the future of the world's progress.

This reliance on professional jesters and entertainers is by no means confined to the juvenile. The power to make life amusing for oneself by the pursuit of one's own hobbies and the enjoyments of friendship and friendly intercourse, seems to have gone out of fashion in favor of a restlessness which dooms its possessors to boredom unless they are rushing about from one place to another. Fast as the means of transport are improved the craving for being carried about grows still faster. Much of this motion is entirely purposeless, and simply carts people from one form of boredom to another. As to its effect in developing intelligence and refinement, we can cite a recent picture in Punch, of some elaborately bedizened motorists, leaving a lovely spot which they have fouled with a litter of empty champagne bottles, remarking that "anyway anyone will be able to see that we weren't a lot of common trippers," or words to that effect.

British Empire Steel Has Increased Output

From Our Own Correspondent

MONTREAL.—Coal produced by the collieries of the British Empire Steel Corporation during 1927 totalled 5,691,311 long tons. This is 295,034 tons larger than the 1926 output of 5,396,277 tons. Besco's coal shipments up the St. Lawrence also reached a new high figure in 1927, shipments totaling 2,325,892 tons. All but a fractional part of this came from Cape Breton; 102,592 tons being shipped from Pictou. The increase in the shipments to St. Lawrence ports breaks a record which has stood for 14 years, for in 1913 the record shipment amounted to 1,193,257 tons. The outlook for the coal mines in 1928 is fairly satisfactory. Besco will soon begin to bank coal to be used when the navigation season again opens.

Inter. Paper May Buy Eddy

From Our Own Correspondent

MONTREAL. — The future disposition of the pulp and paper making sections of the E. B. Eddy Company's plant at Hull, Quebec, is still undecided. The match making end of the business recently passed into the hands of Bryant and May, which is controlled by the big match trust—namely, the International Match Corporation. It is understood that the Eddy Company has received several attractive offers for its pulp and paper plants but none has yet been accepted. The general opinion in the industry is that Eddy's paper making plant will be sold eventually to the International Paper Company as it is understood that organization already owns 49 per cent. of the shares of the E. B. Eddy Company.

GRAIN SHIPPING FROM VANCOUVER IS NEARING ZENITH

Expected That Daily Loading Will Exceed Half Million Bushels

From Our Own Correspondent

VANCOUVER.—The grain shipping season here is now approaching its peak and it is expected that daily loadings will exceed 500,000 bushels until well into January. Thirty-one grain ships were in port on a single day recently.

More than 3,500 cars of grain are en route to Vancouver on the Canadian Pacific and Canadian National Railways, it is reported, and new charters calling for delivery in United Kingdom ports and the Orient during February are being filed every day. The cars of grain reported en route to Vancouver are exclusive of those loaded east of Edmonton and Calgary for the Pacific coast trade.

In spite of the heavy grain movement the port has been able to absorb the business without difficulty, according to W. G. Stickney, traffic manager for the harbor board. "Organization at this end is enabling us to handle a tremendous volume of grain with relatively small storage space," he said. "There are only two factors in this connection which will limit the output of the port and they are the availability of ships and the ability of the railways to bring us the wheat.

"So far as the ships are concerned there appears to be no likelihood of a shortage. We can take all the grain that the railways can deliver, but the amount available over the C.P.R. appears to be limited to about 220 cars a day. That seems to be the maximum capacity of the line through 'the neck of the bottle' between Revelstoke and Field. Increased trackage between these two points would increase shipments to the coast, but the present handling limit of the road seems pretty well defined.

"The capacity of the Canadian National to deliver grain at the coast is limited by the amount of rolling stock which it has available for the traffic. Vancouver is taking all the grain offered from any source at the present time."

CAN. FOR. INVEST. HAS GIVEN OPTION TO U.S. CEMENT CO.

Preferred May Receive $125 and Common About $50

From Our Own Correspondent

MONTREAL. — The Canadian Foreign Investment Corporation has given an option on its assets to a United States cement company and a United States banking house. The option expires at the end of February. If it be exercised, the Canadian shareholders will receive $125, for the preferred, and between $45 and $50 for the common shares.

The Canadian Foreign Investment Corporation was organized a year or two ago to hold the controlling interest in the Brazilian Portland Cement Company. The operations of both the holding and the operating company have been exceptionally successful and the option price would bring a substantial profit to the holders of the stock who are largely Canadians.

In the meantime, the new interests in the Brazilian Portland Cement picture are engaged in inspecting the plant and in investigating local conditions in Brazil. There is no assurance though that the option will be exercised.

Municipal Bonds Advance During Preceding Month

From Our Own Correspondent

MONTREAL—The outstanding event of the past month in the investment security market was the wide advance in the prices of municipal as well as corporation bonds. The consequence has been a lowering of yields all along the line.

Discussing the situation in the current issue of their Investment Survey, Warner & Co. say: The advance in the prices of investment securities and decline in their yields, which has been in evidence for several months now, is a result of the more prosperous condition of the country as a whole. This prosperity has been reflected in higher government revenues and increased bank deposits, with consequent easing of the money market. Not until the demand exceeds the supply of money can a change of the present trend of investment security prices be expected. The optimism shown by our leading financiers in their reviews of the national economy supports the belief that our present prosperity will be extended for some time to come. There is nothing on the financial or industrial horizon to disprove a forecast of further increases in the supply of money. The outlook, therefore, is for a continuance of the present movement.

Insurance for Buyer and Seller

Montreal Financiers Take Over Control of La Prevoyance

Change Will Result in Further Expansion of Business Policy

From Our Own Correspondent

MONTREAL. — Control of La Prevoyance, the well-known Canadian insurance company, which also operates under the name of The Provident Insurance Co., has passed to a group of Montreal financiers, who have secured control of 51 per cent. of the shares. The recent change in the control of the company will result in further expansion and a more aggressive business policy on the part of La Prevoyance, which has made an enviable record of progress since its inception in 1905.

The old board of directors of La Prevoyance resigned at a recent meeting of the board of directors, and were succeeded by a new board headed by Hector H. Racine, who has become president. The new board of directors is composed of Harry H. Haydon, Joseph C. Linteau, Henri Geoffrion, Alcide Beauvais, and Jules H. Pigeon, all of Montreal, and A. J. Major, of Ottawa.

Mr. Pigean has been appointed managing director in succession to J. C. Gagne, who retires from the business. In accepting his new position, Mr. Pigeon has resigned as general manager of the Merchant and Employers Guarantee and Accident Company, and as provincial manager for the province of Quebec, of the Toronto Casualty Fire and Marine Insurance Co.

La Prevoyance or the Provident Insurance Company, was organized in 1905, and began its operations in 1906. The company started with a subscribed capital of $100,000 and a paid-up capital of $20,000. To-day its subscribed capital amounts to $1,000,000 and its paid-up capital to $250,000. The company first began business by writing accident and sickness insurance. It now writes all lines of casualty, as well as life and fire insurance, in the province of Quebec. In the province of Ontario it writes all lines of casualty and fire, but does not write life insurance.

The continued growth of the company has been due in no small part to the able management of J. C. Gagne, the retiring general manager. Under his leadership, the company has progressed steadily, until to-day it is one of the leaders in the casualty field in Quebec, while at the same time, it is one of the leading Canadian, as distinguished from foreign, insurance companies, operating in the Dominion. The company is represented by some 2,000 agents in Quebec and Ontario, writing an annual volume of premiums of over $1,000,000. The company owns its own office building, located in a central section of Montreal's financial district.

Sun Fire Insurance Takes Over Planet

By way of increasing its hold on the firmament, The Sun Fire Insurance Co., have definitely taken over the Planet Assurance Co., and have received in the latter's name a license to operate in Canada.

The Planet was started in 1920 by some of the directors of the Sun, and has a paid-up capital of £100,000. It is now controlled by the Sun and furthermore its policies are entirely guaranteed by that organization. Assets amount to £182,000.

LOW RATIO LIKELY FOR FIRE IN 1927

Preliminary Estimates Place Figure at From 43% to 45%

After "touching wood" for the last few weeks, a sigh of relief has arisen from the fire insurance companies of the country who have seen approaching the happy ambition of a low Canadian loss ratio for 1927.

As yet, of course, it is somewhat early to predict what the actual figures will be, but preliminary estimates from well-informed sources place the 1927 loss ratio experienced at something like 43 per cent. to 45 per cent.

The importance of this satisfactory loss ratio may be judged by the fact that in 1922—only five years ago—the ratio touched the high mark of 68.2 per cent., and that since the time there has been a steady decline until the present estimated figure approximates the low 1920 figure of 43.4 per cent. Last year the ratio was about 49 per cent.

As far as premium income is concerned, many fire insurance men believe that this will show little, if any, change for the past year. On the one hand, many companies are showing a slight decrease of income, but to balance this reduction, the heavy increase of new companies into the field, should more than offset the lower income reported by many old established concerns.

One factor that is expected to show a change is the factor of expense. Rather than being on the decrease, it is estimated that during the past year the expenses of writing fire business have been on the increase, due to a great extent to the influx of new companies into the field. This influx brings with it a keener competitive scramble for business, with, in some cases, an unfortunate effect upon commission and agency expenses.

However, in spite of this higher acquisition cost, there should still be a nice little sum left to put away into surplus, when the actual results are tabulated.

Canadian National Fire is Not in Liquidation

A statement has been issued by W. S. Newton, newly appointed receiver and manager of the Canada National Fire Insurance Co., which should combat to some extent the reports regarding this company's liquidation which have been circulating of late.

Mr. Newton points out that his connection with the firm was not made because the company was insolvent but on the contrary it was in order to prevent the firm from going into liquidation. His appointment has been made until such time as the shareholders can elect for themselves a new board of directors to re-mold the destinies of the organization.

Mr. Newton states that when he took possession of the company's affairs there were sufficient securities with the Dominion government to protect all the policies of insurance issued by the company, but he had, however, this week made an additional deposit with the department of insurance at Ottawa of Manitoba government bonds, to the amount of $25,000, so that there could be no question of the safety of the Canada National Fire Insurance Company's policies.

Brass Used for Plumbing

All plumbing in the new London Life head office building at London Ontario utilizes brass. The heating system utilized wrought iron pipe. One of the articles in a recent issue on this building was somewhat indefinite on these points and the Copper and Brass Research Association asks that it be emphasized that brass piping was used throughout the entire plumbing system. Brass, of course, was chosen for permanence.

London and Lancashire Promotes Chief Clerk

The London and Lancashire Insurance Co., Ltd., advise that J. E. Rose, formerly chief clerk at the Vancouver branch, has been promoted to the position of assistant branch manager. The appointment takes effect as from January 1. When the company opened its own office in 1914 Mr. Rose was appointed assistant in the fire department, which position he occupied until his departure for Siberia on active service. Returning to the company in 1919, he resumed his position in the fire department. The following year he was transferred to the accident and marine departments. In June, 1922, he was appointed chief clerk, with general supervision over all departments of the company's operations.

New Incorporations Announced From Ottawa

New licenses issued recently by the superintendent of insurance at Ottawa are as follows:

The Pearl Assurance Co., to transact in Canada the business of fire insurance, sprinkler leakage insurance, tornado insurance and insurance against damage to property of any kind caused by the explosion of natural or other gas.

L. T. Hargreaves, Toronto, Ont., has been appointed the company's Canadian chief agent.

British Northwestern Fire Insurance Company, to transact automobile insurance, in addition to the classes for which it is already licensed.

American Automobile Fire Insurance Co., to transact in Canada the business of automobile insurance, excluding insurance against liability for loss or damage to persons caused by an automobile.

H. Begg, Toronto, Ont., has been appointed the company's Canadian chief agent.

National Breweries' Strength Due to Steady Earnings

From Our Own Correspondent

MONTREAL.—The strength in the shares of National Breweries has been due to the steady betterment in the company's earnings. It is understood, though, that a pool has been operating in the shares. This would account for the rapidity of the appreciation. There seems to be little possibility of an immediate further rise in the stock, although some of the brokers feel that "Breweries" is still undervalued by the market.

For instance, McCuaig Brothers and Company in a bulletin says: "According to persistent reports, although the annual statement for 1927 will probably show around $10 on the junior issue, current earnings are running at the rate of $14 a share. In valuing an industrial stock it is customary to multiply its earning power by ten. Applying this to National Breweries a price of 140 would be warranted for the stock on this earning power. In usually well-informed quarters it is expected that National Breweries will be one of the market leaders in 1928. It seems obvious that an increase in the dividend rate cannot be long delayed, and furthermore, the chances seem good for an eventual split up of the shares."

Elmer Emig, of the University of Florida: "One hundred and ninety-two out of 375 persons consulted based their opinions on happenings of the day after reading only the headlines."

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Insurance Problems

Insurance questions of general interest, submitted by subscribers of The Financial Post will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

North Western Mutual

One of our customers has asked for a report on the above fire insurance company, with reference to the advisability of insuring stock in trade with them. The agent of the company has stated that usually a 25 per cent. rebate of the premium is made to the insured at the end of each year. As I do not know the company appreciate receiving a report from you.

We believe that your customer would be perfectly safe in insuring his stock in trade with this company.

The company, as we understand it, writes a very well selected business in all parts of Canada on the principle of charging the full tariff rate, but of returning at the end of a year a 25 per cent. rebate or dividend on the original premium. The company has grown very rapidly in the last few years, but has set aside substantial reserves and deposits for the protection of policyholders.

The company's total assets at the end of 1926 amounted to $3,751,000, of which $2,638,000 consists of securities. In 1926 the net premium income from Canadian business totaled $922,000 and on this business the gross loss ratio was 33%. The company operates directly with the property owners and its policies, we believe, are non-assessable with the dividends varying according to the class of business.

Empire Life

I would appreciate very much if you would give me some information on Empire Life Insurance Company stock. I have not noticed the stock quotations lately, and would like to know what would be a fair price to pay for same.

Stock is being sold by the company officials at a price of $45 per share, which represents a 10 per cent. or $10 a share of authorized capital and $35 in the form of premium.

We would not be surprised if you were able to obtain a small amount of this company's stock at, say, $35, because the stock has been issued at different prices and occasionally there comes on the market small blocks of stock at this lower figure. The reason why we are not quoting this stock is because practically all the stock is being sold at this higher figure and to quote the lower figure is somewhat of an injustice to the company, which has given us assurance that they will buy up any or all stock that is offered at this lower figure.

The company itself seems to be making fairly good progress. It is now writing business in British Columbia and the Maritime Provinces and contemplates going into Alberta shortly, this in addition, of course, to its business in Ontario. It is a young company, but the management is aggressive and competent and the expenses of management are kept at a fairly reasonable figure.

Can. Assoc. Companies

Salesmen for Canadian Associated Companies are after me for a deal. I believe that the Toronto Casualty Fire and Marine Insurance Company is one of the companies. What is your opinion of their stock?

Canadian Associate Companies stock has good speculative possibilities if the purchaser is willing to wait until such time as the common shares have acquired some market value.

The stock as you doubtless know is sold on the basis of one share of 7 per cent. preferred with a 40 per cent. bonus of common and the company itself is a holding company controlling three insurance companies which are the Toronto Casualty Fire and Marine Insurance, the Canadian General Insurance and the Merchants and Employers Guarantee and Accident Co.

Most of the revenue of the holding company will come from dividends of the companies which it controls, but a small amount of revenue is derived from adjustment business and none of these three controlled companies are as yet on a regular dividend basis, although periodic payments have been made.

Perhaps your best assurance is the fact that the management and directorate are of very good calibre and are exceedingly aggressive in their particular field which is perhaps the best guarantee you could have that the companies will be run on sound lines and will be able to participate in any good things which will accrue to the fire and casualty business in the next few years.

Best Annuity

Do you consider that an annuity granted either by the Canadian Government or the Sun Life Assurance Co. ranks in the highest class obtainable? Which of the two would you prefer? Or would you split the amount between them?

We have no hesitation in advising you that the security behind a Sun Life Annuity would rank equally with that of the Canadian Government and that both these are in the very highest class.

The Sun Life is, as you probably know, our biggest Canadian life insurance company, and from our knowledge both of the company and of the management, we have no hesitation in stating that a contract with the company would be one which you could rely on to the utmost.

We believe that the yield from a contract with a company such as the Sun would probably, in the long run, be higher than that which is guaranteed by the Dominion Government, but doubtless the figures which you have at hand will definitely advise you on this point. We notice, however, that you definitely state in your enquiry that you are more interested in the security than in the relative yield.

As you are probably aware, the basis upon which the Sun Life writes its business is the policy of charging a fairly high premium, but returning this by way of substantial dividends over a period of years to its policyholders. At the present time there is a distinct tendency in the opposite direction, but whether or not the Sun will be forced to change their policy in this regard is a matter for conjecture.

Ontario Equitable

Will you kindly give me data regarding the treasury stock of the Ontario Equitable Fire and Life Insurance Co. as an investment:

(1) Safety;
(2) Investment return;
(3) Marketability;
(4) Probability of increase in value over a ten year period.

I have an opportunity of buying some of this stock and would like your opinion regarding it.

Ontario Equitable stock rates are fairly satisfactory on the four points which you mentioned, namely "Safety; Investment Return; Marketability; Probability of Increase in Value over a Ten Year Period."

The stock of any young life insurance company, such as the Ontario Equitable should be purchased by the investor with a view to a long hold as during the early years of a company's existence it is very unlikely that much return in the way of dividend will accrue to the shareholder.

The Ontario Equitable has an aggressive management and is writing a large amount of business annually for a company of its size.

The fact that there seems at the present moment to be a tendency to reduce the price of participating insurance policies may in the next year or so have a tendency to reduce the ability of all insurance companies to pay dividends, but this is something which cannot be gauged properly at the present time.

Canada National

I am the executor of an estate, and as such executor hold 40 shares in the Canada National Fire Insurance Co. Will you kindly advise me whether you consider it advisable to sell the 40 shares I hold in trust?

You will doubtless have read by now that the company has been placed in the hands of a receiver and, for this reason, you probably could not dispose of the shares of this company which your estate holds.

Doubtless you have followed the whole situation and atmosphere which surrounds the group of companies formerly controlled and operated by W. T. Alexander and his associates. The trouble has been brewing for some time and finally the whole situation has boiled over.

As we understand it, the Canada National was a sound company and, unfortunately, of late it seems that it has been used to support the other two companies in this group, which were in rather difficult straits financially.

As far as the fire insurance company itself is concerned, we feel that once the company is free from Mr. Alexander, it will probably be taken over by some other company doing a similar business and stands a very good chance of coming out of this situation fairly well. It is, of course, impossible as yet to tell exactly how much it has become involved in this whole muddle, but for years it had a very good reputation as a fire company and it does not seem too much to hope that under good, aggressive management, and with additional new capital, it may yet give a good account of itself. If you have access to any old files of The Financial Post, you will find that on July 15 of last year we gave a complete summary of the suit which was brought against the company by one of the shareholders.

Regarding the present order appointing a receiver, the order will give the shareholders an opportunity to elect a new board of directors and to reorganize the fire company without liquidation.

We regret that we are unable to obtain the record of the company's stock since 1923, but we believe that prior to the last few months the market has been about $25 per share. As far as the present quotation of $15 is concerned, this is more or less nominal and we doubt if it could be obtained at the present time, as there is practically no market whatever for the stock.

Sprinkler Protected Risks

Your article on "New England Mutual Insurance Companies" is very interesting and enlightening. It leads us to make the following enquiry with the view to finding ways and means to save on our own insurance. Our stores and warehouses are all protected with sprinkler systems. Do you know of any insurance companies who make a specialty of sprinkler protected risks such as our own?

As we pointed out in our article some 28 New England Mutuals, all of which operate under the same rate schedule and all of which divide among themselves the various classes of business which they are interested in taking. We would suggest that you correspond with the Blackstone Mutual Fire Insurance Company, Grosvenor Building, Providence, R. I., and we believe that they would take a risk such as your own and if not, they would either refer you to one of the other mutual companies, or else decline the risk entirely.

As far as writing your insurance in a Canadian company is concerned, we believe that a brokerage house, such as Reed, Shaw and McNaught, of Wellington St. W., Toronto would be able to give a very low rate on your sprinkler risk and would also offer you as good if not better service than the mutuals of New England. Mr. Mylrea is the gentleman who handles the Sprinkler Department of Reed, Shaw and McNaught, and we are glad to say that the organization that has been built up there in a purely Canadi now in some lines at least i tion to give really good co to these New England Mu

Whether or not this hous be able to meet the New E rate on your particular risk not know, but at least it wo interesting to see how th organizations shape up in co tion with each other.

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Current Events in Banking World

MINOR SERVICES TO BE CHARGED AGAINST CLIENTS

Question of Charging for Current Accounts is Also Discussed

By H. R. Summers-Gill
Canadian Bank of Commerce, Radisson, Sask.
(in The Caduceus)

There appear to be only two classes of country bankers at the present time. The first, with the fetish "Service" uppermost in their minds, will not countenance any charge to their customers for the various services performed, will cut the rates of commission at the slightest hint from a client, will allow accounts to be overdrawn without any compensation, and in fact hand the shareholders' profits over the counter in free service. The second class are a species of present day Dick Turpins, and regard every customer who enters the bank as the old time highwayman looked upon the travelers on the roads.

Henry Ford is credited with the remark that the proper price of an article is not the most the trade will stand, but a fair return on the investment. If Henry has always practised this, and it is assumed that he has, then the success of his particular business certainly justifies the belief that his axiom is a true one. During the last year there has been increasing attention paid to the so-called minor profits, and the banks are trying to make up for the years when practically all their activities, apart from discount business, were conducted at no cost to the public. Naturally, after many years of dealing with a bank without being called upon to pay for its facilities, the general public are alarmed and shocked to be suddenly taxed to the utmost for any transactions they have, and as one man phrased it recently, it looks as if the banks would soon charge for the use of their doormat on wet days.

For Services Rendered

There is certainly no reason why any institution should offer free service to the public. Surely, if its conveniences and facilities are appreciated at all, no fair-minded person will object to paying a small commission charge in keeping with the service performed. The idea is not, however, as would occasionally appear, to make a few transactions pay all the staff salaries. This only results in a disgruntled customer, and often in one customer less. No man will consent to be "soaked."

Bankers, as a whole, should guard against a too eager attitude. Greater profits come with greater turnover of business, and it is far better to be lenient in the matter of charging than to exact exorbitant commissions which force customers to find other ways of transacting their business. Because a customer is illiterate or ignorant, he should not be compelled to pay double what would be charged a more intelligent client. Foreigners particularly are inclined to be suspicious of banks staffed by men who do not speak their language, and if they suspect, or find out that they have been taken advantage of, it is very hard to overcome their prejudice. It ought to be an easy matter to fix equitable rates, which will allow the banks a fair profit without becoming unduly burdensome to the public.

The charge for keeping current accounts is looked upon by many as a "graft" by the banks. The opinion seems to be that the bank is getting a lot of free money to lend out at nine per cent., and that it is unreasonable to expect a customer to pay to have his funds entered in the current ledger.

Current Account Costs

As pointed out by Mr. Stewart Patterson in his book, no funds have any loanable value to a bank unless on deposit for one week, and therefore the man who deposits $100 for one week and then draws five cheques against it, perhaps bringing the balance down to $25 or $30, far from being a source of revenue, is a nuisance. He has been enjoying free of charge the privileges his neighbor is paying for. The value to the bank of current funds is approximately five per cent. on the minimum weekly balance, and it costs five cents per cheque to operate the account, to take care of overhead, stationery and clerical labor. If this is explained to customers it helps to clear up the difficulty of enforcing the commission charge, and is a better method than an arbitrary charge of fifty cents per month whether cheques are issued or not. The banks wish to attract all the deposits they can, and to charge a man for opening an account with them before it has proved unprofitable is more likely to repel the public than otherwise. It is useless to advertise the advantages of a bank account, and when a customer steps in to open one, inform him that he is expected to pay the cover charge monthly. He wonders why this was not mentioned in the advertisement, and feels that he has had "one put over him."

With regard to the rebating of unearned interest, the view is often expressed that when a borrower has made arrangements for a line of credit for a period, he should pay the full interest on the sum borrowed, whether paid before maturity or not. This, put into practice, will have the tendency to keep the good men from putting their names on the books. Some of the smaller men prefer to put up with almost any injustice in order to obtain money to keep their creditors quiet, and will suffer in silence. A satisfied customer will return again, and the rebating of interest on prepaid notes will help greatly in promoting a feeling of goodwill between the bank and the borrower. He is willing to pay for all he gets, but feels that he should not be obliged to pay five months' interest when he has only had the use of the bank's funds for three months.

Golden Rule

While the zeal for profits is a very commendable one, it should never be overlooked that there is a Golden Rule. This applies to banking just as much as to any other business. While it is hard to see the customer who borrowed $2,000 for three months come right in and pay his note after thirty days, there should be no question as to his right to a rebate. Don't wait for him to ask for it, let him see that you appreciate his promptitude in repaying the loan. He will come back for more when he needs it.

Let us cast our bread upon the waters, and it will return to us. Let us make the bank a respected and vital force in the community and not have it looked upon as a grasping money-making machine, sitting astride the district like another Old Man of the Mountain. Let us charge for our services upon a proper schedule, making no concessions, treating all men alike, and we shall have every reason to be proud, a business founded on the rock of a square deal for all.

Canadian Bankers' Association will pay full $5,000 reward for capture of bandits who robbed Canadian Bank of Commerce, King and Stanford Streets, Hamilton.

Bank of England's Part in Rebuilding of Europe is Related by Snowden

Bank Clearings in 1927

(000's omitted)

	1927	1926
Montreal	$ 6,771,872	$ 5,646,347
Toronto	6,484,985	5,196,428
Winnipeg	2,794,528	2,708,415
Calgary	436,380	393,910
Vancouver	924,784	888,704
Chatham	40,639	32,939
Ottawa	375,565	338,607
Quebec	349,118	319,659
Hamilton	296,406	268,402
Edmonton	286,632	259,611
Regina	259,731	241,154
Windsor	224,714	219,129
Halifax	160,583	150,800
London	167,984	142,857
St. John	134,755	136,226
Victoria	119,552	110,886
Saskatoon	111,929	103,237
Kitchener	60,999	51,758
Fort William	not available	48,102
Brantford	63,699	55,177
Moncton	not available	44,208
Sherbrooke	47,348	44,259
Peterboro	45,771	41,685
Kingston	43,938	38,293
New Westminster	41,565	39,253
Brandon	31,888	31,006
Lethbridge	31,865	29,565
Prince Albert	21,205	20,194
Medicine Hat	18,017	15,462
Moose Jaw	69,893	64,190
Totals	$20,416,352	$17,680,271

TACT IS NEEDED WHILE HANDLING BANK'S CLIENTS

Most Customers Amenable to Reason if Properly Approached

By K. R. TURNER,
Manager Canadian Bank of Commerce at Scotstown, Que.
(in The Caduceus)

There are many things to be taken into consideration when dealing with customers who may not understand the fundamentals of their business transactions with a bank, but it has been my experience that business men, no matter how difficult their manner may be, will usually agree to a definite and fair proposal provided it is brought before them in a reasonable way at the proper moment.

Most branch managers obtain their appointments only after a long struggle through subordinate positions, and it is this training that fits them for their duties, and enables them to face their problems with the conviction that they know their business and are competent to give advice and lend assistance when required. It is true that in many cases to-day our managers are young men, and it is sometimes difficult for a "hardboiled" business man, who has made a success in his chosen field, to believe that he can obtain advice of value from the young branch manager, who, in his opinion, knows nothing of the business. It may be true that the manager does not understand all the details as well as the customer, but he can point out weaknesses such as too heavy overhead charges, too easy a manner of collecting, insufficient insurance protection, increased costs of production compared with selling prices, and sundry other matters which come to his attention from time to time in dealing with the account.

Dealing With Customers

I am not speaking of the larger concerns of which the books and statements are audited annually, or of those firms which have in their employ competent foremen and sound systems of cost accounting, but of the thousands of smaller concerns and individuals in Canada, whose systems, while once proper and ample for the business, have over a term of years become obsolete and out of keeping with increased business and present-day methods. In my experience, the business man who has succeeded by his own efforts and regards any suggestion offered as a complaint, is the most difficult to deal with, and it often takes a great amount of effort to make this class of customer see where improvement can be made, but I have yet to see a business man with the interests of his business at heart who will not give due consideration to any new proposal provided it can be made clear to him that it will be to his advantage to do so.

During the past few years numerous changes have been made in our methods, but the mere fact that these have improved our facilities to the public does not relieve the manager of the responsibility for obtaining the maximum of profit for the facilities so extended. There have been new sources of revenue "tapped" during the past few years which had long been neglected by all banks in Canada, and which are legitimate additions to profits. In some sections, especially the country districts, certain changes when first brought into effect have called for considerable explanation, but when this has once been given fully and frankly, any opposition has usually been removed and the reasonableness of such changes understood.

I cannot recollect from my own experience a single instance where any strenuous opposition has been encountered, after due explanation had been given, and this goes to show that any changes in rates or methods affecting a customer's account of future policy should be fully discussed with each and every customer so affected and that they should be made to understand the reason for the changes under consideration so that future discussions will be unnecessary and possible conflict avoided. Any changes affecting customers' accounts should be brought into effect by a process of gradually eliminating unprofitable features until all the accounts are brought into line, for to do otherwise would be to cause endless friction among the customers at large and to give the bank manager publicity might prove detrimental.

Tact is, in my opinion, the greatest asset that a branch manager or any business man can be endowed with, and by its use any obstacle can be removed and any course made smooth. A satisfied customer is one of the best advertising mediums a bank can have and a disgruntled customer is the worst. Extreme tact should therefore be used at all times.

Personality of Manager

Head office instructions are given for the guidance of the branches in order that a uniform system of government control may be in operation, but while it is required that these be followed as much as possible, it is not intended that all initiative should be destroyed. It is well known that, especially in country districts, it is the personality of the manager rather than the name of the bank which he represents, that obtains and retains business for his institution.

Tact is indeed a cardinal asset and initiative valuable builder and by the cultivation of these, the business of any organization can be extended and more fully developed.

Stabilization of German Mark Must Go to Bank's Credit

AUSTRIA WAS SAVED

Hungary, Greece, Belgium, Poland Owe Financial Positions to This Institution

By THE RT. HON. PHILIP SNOWDEN, M.P.
Former Chancellor of the Exchequer of Great Britain
(in The Bankers Magazine)

Some time ago the writer prepared an article on the part which had been played by the Governor of the Bank of England since the war in the vital work of European financial reconstruction. This article aroused some interest, as it revealed certain facts of which even bankers and financiers had no clear comprehension, and of which the general public was completely ignorant.

The writer has been asked to return to this subject, and he proposes to deal with it here in a more impersonal sense.

When we look back to the state of economic and financial chaos which prevailed in Europe in the years following the war, and contrast it with the comparative stability which exists to-day we see the results of what can hardly be described as less than a miracle.

International Financiers

For this change we are much less indebted to politicians and statesmen than to the wise influence and courageous action of a few broad-minded international financiers. It is a popular delusion that the few men who exercise such tremendous influence as arbiters of the financial destinies of the world spend their time in exploiting economic situations for their own private gain.

If these men were actuated only by a desire to serve their own personal interests, and if they disregarded the consequences of their actions on public welfare and international trade and economy, they would very quickly create a financial situation which would bring ruin to themselves and the interests they represent.

The writer does not for a moment suggest that the great finance kings neglect the interests of the institutions they control. But they have sufficient perspicacity to see that their own interests are indissolubly bound up with the prosperity of the world economic and commercial order.

Co-operative Reconstruction

In the work of European reconstruction the central banks, and the great international finance houses, have been ably assisted by the Economic Section of the League of Nations. In the promotion of the various reconstruction loans the two have worked in complete harmony, and with a common aim and understanding.

London, as the great money centre of the world and as the world's greatest creditor had a special interest in helping the restoration of the ruined countries of Europe. In addition to that, Great Britain's exceptional position as a great exporting nation made the revival of international trade a matter of vital necessity to her.

The first step that was needed to begin the work of economic and financial restoration was the establishment of the machinery for international banking and lending co-operation.

Central Banks

The war had destroyed or disturbed the stability or independence of the central banks in many of the continental countries. In most of the new states no central bank existed. The first task of reconstruction was to restore the stability of the old central banks, and to establish such institutions in the new states.

This was the work to which the Bank of England, with the help of other central banks which were in a sound condition, set its hand. It was fortunate that the Federal Reserve Bank of New York had recently come into existence. Without the support given by this institution to European Central Banks, the task of European reconstruction would have been well-nigh impossible.

The writer can only briefly summarize some of the achievements of the Bank of England in co-operation with other central banks during the last few years.

The most important of these achievements is the international help given to Germany. It was by the assistance of a large sterling credit, granted by the Bank of England, that Dr. Schacht was able to stabilize the mark and establish a gold rediscount bank.

Dawes Plan

Perhaps some day it may be possible to relate the full story of the part played by the central banks in the promotion of the Dawes plan. But as one who was intimately associated with the matter, the writer may associate himself with what Dr. Schacht has said in his book on the stabilization of the mark, namely: that that loan would never have been successfully floated but for the almost superhuman efforts of the Governor of the Bank of England, and his intimate relations and great influence with the heads of other central banks.

The Bank of England has assisted largely in the reconstruction of the economic life of Germany, a reconstruction without parallel in history, both for its rapidity and success. One may perhaps without indiscretion add this: If advice of the international banks had not been overborne in some respects by political considerations the Dawes settlement would have had in it more elements of stability.

The reconstruction schemes of the central banks have by no means been confined to helping Germany.

Austria's Plight

At a critical moment Austria was saved by the Bank of England. In 1923 the Bank of England issued the Austrian Reconstruction Loan. At one moment the success of the loan seemed doubtful, and the Bank of England intervened and took up the unwritten portion. The Bank has given generous assistance to the Austrian private banks by accepting a liberal composition of heavy pre-war liabilities.

In co-operation with the League of Nations, the Bank of England came to the help of Hungary, and by a special advance of four million sterling to the National Bank of Hungary, set that country on the path to financial and economic stability.

Similar assistance has been given to Greece. In 1923 the Bank of England gave an advance of one million sterling to the Greek Government, and later helped to make the Greek Refugee Loan a possibility.

In 1926 the Bank of England took a leading part in the negotiations which led to the stabilization of the Belgian franc and agreed to become part of an international consortium. The Governor of the Bank of Belgium has highly praised the generous attitude of the Bank of England toward Belgium's efforts to effect currency stabilization.

The recent Polish Reconstruction Loan would have been hopeless without the practical support of the international bankers.

Credit of Borrowers

The criticism is sometimes made that these various reconstruction loans have been issued at a price which imposes too heavy a burden on the borrowers. It is true that the rate of interest has been high, but the national credit of the borrowers at the time was negligible. The writer remembers the anxiety with which the fate of the Dawes Plan was awaited. It was feared that at that time war passions might not have abated to the extent of making success possible.

The assistance which has been given by the central banks to European reconstruction has never been inspired by political motives, but from a genuine and public-spirited desire to promote international prosperity.

Monthly Bank Clearings

(In comparison with same month last year)

Eastern Cities	Dec., 1926	Dec., 1927
Halifax	$ 12,851,353	$ 16,580,204
St. John	11,841,928	....
Moncton	4,598,251	4,622,244
Sherbrooke	4,061,891	4,054,435
Quebec	35,451,746	37,770,167
Montreal	532,160,254	825,619,853
Ottawa	32,475,264	....
Kingston	3,672,411	3,924,845
Peterboro	3,945,321	14,634,618
Toronto	514,322,036	724,571,092
Hamilton	25,829,485	27,477,418
Brantford	5,537,922	6,813,418
Chatham	3,532,430	3,865,384
London	13,449,789	16,181,139
Sarnia	2,730,411	3,017,177
Kitchener	4,963,466	6,108,781
Windsor	21,018,804	....

Western Cities	Dec., 1926	Dec., 1927
Fort William	$ 5,247,499	$ ....
Winnipeg	274,989,622	350,829,092
Brandon	3,807,477	3,355,489
Regina	24,079,327	37,589,998
Moose Jaw	6,794,751	7,708,331
Saskatoon	10,099,715	12,952,884
Prince Albert	2,092,310	2,280,861
Lethbridge	2,841,784	8,519,988
Medicine Hat	1,429,320	2,375,342
Edmonton	26,034,398	31,466,687
Vancouver	82,165,505	89,948,970
New Westminster	3,319,748	3,485,574
Victoria	8,748,514	10,964,868
Calgary	....	54,297,090

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities	Dec. 30, 1926	Dec. 29, 1927
Halifax	$ 2,449,472	$ 3,301,322
St. John	2,253,236	2,324,806
Moncton	771,673	725,086
Sherbrooke	744,144	777,483
Quebec	5,904,354	6,599,111
Montreal	106,751,835	120,952,234
Ottawa	5,916,851	7,070,270
Kingston	681,181	730,823
Peterboro	724,941	937,840
Toronto	92,405,078	122,408,827
Hamilton	5,061,325	5,030,517
Brantford	963,297	1,393,041
London	2,665,551	3,001,421
Sarnia	596,132	538,309
Kitchener	1,028,848	1,225,917
Chatham	847,767	754,356
Windsor	4,629,023	......

Western Cities	Dec. 30, 1926	Dec. 29, 1927
Fort William	$ 849,618	$ 904,915
Winnipeg	46,666,304	63,365,534
Brandon	575,923	631,851
Regina	4,542,264	5,051,485
Saskatoon	1,904,310	2,443,866
Prince Albert	431,657	418,131
Lethbridge	539,440	500,603
Calgary	7,696,693	9,677,417
Edmonton	4,504,794	5,903,403
Medicine Hat	267,359	435,604
New Westminster	624,555	624,556
Vancouver	15,391,058	
Victoria	1,648,352	1,981,979
Moose Jaw	......	1,249,118

Bank Chat

Gordon Smith, of the Regina branch of the Bank of Montreal, is relieving at Carnduff, Sask.

Fire in the old Canadian Bank of Commerce building in Ottawa recently caused $5,000 damage.

Eddie Sellens, of the Lethbridge branch of the Bank of Montreal, has been transferred to Drumheller.

Herbert W. Supple, former manager of the Calgary branch of the Imperial Bank, died in Banff.

John Macdonald, Bank of Montreal, Shediac, N. B. has been transferred to Saint John, Union Street branch.

Fred Faucett, accountant at Cannington, Ont., for the Standard Bank, has been relieving manager at Stroud, Ont.

S. J. Plunkett retired on January 1 as manager of the Bank of Montreal, Sarnia, after fifty years' service with the bank. He was succeeded by T. A. MacKay, formerly assistant manager at Toronto.

Edmonton bankers were prominent in raising money for the Edmonton Journal's Sunshine Santa Claus fund. J. R. Henley, assistant manager of the Imperial Bank, took over the job of wringing bills from his fellow bankers.

C. W. Rowley on his Christmas card reprinted the following quotation from a speech delivered by the Prince of Wales while in Canada:

"The heart and soul of Canada are a reef of precious metal so vast in extent that no man living can chart it, and so rich that no man can value it.

"The deeper you go the more astonished you become at the material wealth and the wealth of character which you find. Here is a great country worthily fulfilling a great destiny."

E. J. Vanderwater, manager of the Royal Bank of Canada, Calgary, has been elected to the board of the Royal Inland Hospital, the vacancy having occurred through the death of L. T. Blair.

R. S. P. Jardine, manager of the Canadian Bank of Commerce, at Stanley, N. B., has been transferred to Lunenburg, N. S., to take over the managership of the bank branch in that town. Mr. Jardine was formerly accountant in the Amherst branch. The vacancy in Stanley will be filled by D. R. Morison, of Sydney, formerly of Halifax and Amherst.

Manufacturing Record is Likely to be Broken

Statistics for First Eleven Months of 1927 Show Greater Volume Produced Than in Any Year of Post-war Period

It is apparent from the record of the first eleven months, that the physical volume of manufacturing in Canada during 1927 was greater than in any year of the post-war period. The Bureau of Statistic's average index during this period was nearly 151 compared with 145 in 1926, representing an increase of nearly 4 per cent. The gain in the past year was due to the high levels attained in March to June, when most of the industries represented in the index were operating at a high percentage of capacity. From July onward a recession was in evidence and in October and November the index showed a decline as compared with the same months last year.

In compiling the index of physical volume of manufacturing thirteen items are taken into consideration, although only eight are dealt with in detail. The composite index during November advanced to 139.4, as compared with 136.6 in the preceding month and 142.9 and 130.6 in November of 1926 and 1925 respectively.

Flour production declined 13.9 points in November. During the greater part of the year this industry has been operating at a low level. Production has ranged from a little over a million to over two million barrels a month. There was not the same constancy as was in evidence in the preceding year. The index of volume, which averaged about 130 in 1926, was roughly 15 points lower throughout 1927.

Wide Variation in Sugar

Sugar manufactured shows a wide variation throughout the year. This is not unusual, but the peaks and depressions were more pronounced than was the case in 1926. From January to June there was a steady increase in production from 54,802 to 85,186 millions of pounds. The high point was reached in August when manufactures totalled 104,717,000 pounds. September, October and November production was well maintained, however, though slightly under the mark set in 1926.

Conditions in the raw sugar market over the past year and a half have not been conducive to stable operations. Cuba with its succession of large crops has been finding it difficult to secure a ready market and price cutting and sacrifice sales have been general. A short time ago the Cuban government announced the formation of a commission to study and make recommendations looking to the improvement of the sugar industry. This commission has studied conditions in the United States, Europe and elsewhere, and an agreement has been entered into by the principal producers which is expected to aid the industry. Should plans work out as at present laid down, sugar refineries in this country should benefit.

One of the principal causes for the maintenance of the manufacturing index at a high level in 1927 was the heavy importations of cotton. Canadian importers and manufacturers followed an erratic market closely during the year and purchases were especially heavy. Moreover supplies were bought on a weak market rather than as needed. Consequently the index on cotton imports cannot be taken as a true criterion of the extent of activity in the cotton textile industry.

Review of Imports

A review of imports during 1927, however, provides an adequate idea of the extent of the Canadian cotton industry and its buying power in the world's markets, especially those of the United States. Imports during 1926 totalled 134,689 million pounds, well over half being purchased between October and March. The situation was somewhat different in 1927, as purchases were heavy up until June. This was due to the soft market in the United States, when supplies were greater than visible demands. With prices at a very low level Canadian importers bought heavily. As a consequence buying in the last quarter was not so pronounced as is usual.

The index of newsprint production approximated very close to 200 for 1927, November figure being 221.8. This is the second highest monthly mark ever reached in the newsprint industry. While there was an increase in the number of new newsprint machines brought into operation during the past year, formation of large central selling agencies and control of production to comply with demands from consumers in the United States enabled manufacturers to maintain production at a high level. There had been talk, early in the year, of overproduction, but this did not take place.

Pig iron and steel production remained unchanged in November, and though results for the first eleven months of the year were better than in 1926, they were not as good as general conditions warranted. For the first eight months pig iron output was substantially ahead of the corresponding period in the preceding year, but the sharp drop in production between September and November largely offset the gains made earlier in the year.

Heavy Steel Demands.

Steel production during November was on a more satisfactory basis than that of pig iron. The output of 80,730 tons was the highest for November in some years. This phase of the primary iron and steel industry has been largely influenced by an exceptional volume of building. Structural steel demands were heavy all year.

One of the disappointing features of the manufacturing situation last year was the sharp drop in automobile production during the last quarter. During November the index stood at 88, the lowest point recorded in many months. This decline was not due to falling off in demand for motor cars, but rather to the holding off of purchases by the public until new models had been put on the market. This development has now taken place and production will undoubtedly show a sharp upward swing in anticipation of making heavy spring deliveries.

The situation in respect to the other indices during November was generally favorable.

Toronto
New Head Office Montreal (under construction)
Winnipeg
London
New York
Rio de Janeiro
Barcelona
Havana
Paris

A Bank with 900 Branches

800 in Canada, including

Vancouver	Fort William	Montreal
Victoria	Windsor, Ont.	Quebec
Calgary	London	St. John, N.B.
Edmonton	Hamilton	Halifax
Regina	Toronto	Sydney
Winnipeg	Ottawa	Charlottetown

100 Abroad, including

London	San Juan	Rio de Janeiro
New York	Santo Domingo	Montevideo
Paris	Port-au-Prince	and in
Barcelona	Nassau	Colombia
St. John's, Nfld.	Port of Spain	Peru
Havana	Buenos Aires	Venezuela

G729

The Royal Bank of Canada

WARNS THAT GOLD MUST BE CONSERVED

Canada Helps to Meet Serious Situation Due to Production Decline

LONDON, Eng.—The report for 1926 of the Deputy Master and Comptroller of the Royal Mint (Colonel R. A. Johnson) contains a warning that "Unless we are prepared to face a prolonged fall in commodity prices, it is imperative to economize gold, both in regard to its use as a commodity and to its use as money."

The report states: "Reviewing present tendencies, it may perhaps be safely said that the suggestions for the dislodgment of gold as the basis of the world's currency, whether sound or unsound in theory, are not likely to be put into practice in the immediate future. Gold, then, appears destined to continue in usefulness as a basis for international trade, and, that being so, it is not surprising that, with the growing demand consequent on the return to stabilized conditions by one country after another, the question of the probable amount of the output of the virgin metal in the immediate future, a most important economic factor, should be widely discussed.

"The discovery of new fields is, of course, not an impossibility, but, in the absence of such an accession to the world's stock of gold, the problem of economy in the use of the metal will certainly assume considerable importance. Production is hampered in some fields by the growing cost of labor and working expenses, especially where the metal is becoming more and more inaccessible.

"The recent developments in flying and the growing tendency to transport gold by air are encouraging factors, since the interest involved where long distances are in question is in itself a considerable item in the calculations of cost. Already gold has been conveyed by aeroplane over long journeys, and development in this service to cover gold-producing areas or a reduction in the expense of alternative methods of transport might have the effect of reducing costs sufficiently to bring again into the work fields which at present are not a paying proposition. . . .

"It may well be that in the future the international gold exchange will be served to an even larger extent than at present by gold in bars instead of in coin.

"In Canada gold mining has developed very rapidly in recent years, and the Dominion bids fair to become the second largest producer in the world, unless the discovery of new fields should enable the United States to maintain their present position. . . . In 1926 the total production of Canada was upwards of $5,000,000 dollars.

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MOODY'S
Review and Forecast
for 1927-1928

FOR many years Moody's Annual Review and Forecast has opened the year for thousands of investors, bankers and business men, giving them in understandable language our conception of the outlook for business and the trend of the security markets, interest rates, etc.

This Forecast will prove immeasurably helpful to the investor and business man seeking impartial and intelligent guidance in the intricate problems which will confront them this coming year.

Although a regular feature of our Service, we have set aside additional copies which we will send, without charge, to those seriously interested in availing themselves of the facilities we have to offer. Requests for copies will be complied with promptly.

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Announcing
The VICTORY SIX
BY DODGE BROTHERS

From an engineering standpoint The Victory is radically new, radically different and thoroughly original—is literally years ahead of its time in many vital features.

In a very real sense, too, it compares with no other car or class, because NO car, either here or abroad, provides features that are comparable. To enjoy these advantages you must buy THIS car, for elsewhere they simply do not exist.

Revolutionary New Principles of Design

1. For the first time since the invention of the automobile, the chassis and body of The Victory are a single integral unit—the wide, deep Victory chassis frame, flush with the lines of the body, replaces the customary body sills. (Heretofore, the body was mounted on a sill and both in turn mounted on the chassis.)

2. For the first time in history, battleship construction (i. e., double steel walls) is here applied to the motor car.

Spectacular Performance

The results of these, and other basic innovations, are astonishing in their effect on every phase of motor car value: beauty, comfort, safety, strength and most impressive and important of all—performance itself.

With chassis and body a single unit, there are 330 fewer parts—175 pounds less weight—and an extremely low center of gravity.

The results are greater motor efficiency—increased power—quicker pick-up—greater stability and flexibility in relation to load—an easier car to handle—a faster car to drive!

21 miles to the gallon at 25 miles per hour is precisely what you can expect—with sustained high speed all day long at instant call!

Drive over cobbles and await the usual discomfort—it will never occur! The Victory is the smoothest riding car, for its type, ever built.

Safe, Strong and Stable

Because the chassis frame conforms precisely with the body lines—and because of the car's low center of gravity (weight close to the ground) The Victory is remarkably stable—tipping, skidding and swaying are reduced to a point positively negligible!

Turn a sharp corner and you will understand!

And the double steel walls mean double protection in case of accident—double the safety of any type yet known. A staunch body, with doors that close with a substantial and non-metallic snap.

Quiet and Comfortable

The aim of all engineering is simplicity, for simplicity means economy—strength—SILENCE. There are only 8 major parts in The Victory body—and they are welded into a single unit. Not a joint to squeak or rattle. A silent body.

And Dodge Brothers powerful new six-cylinder motor—specially engineered for The Victory—preserves this luxurious quietness at all speeds.

A Car of Striking Beauty

Body and chassis built as a single unit—without the customary body sill—permits lower over-all height with liberal headroom and road-clearance.

Splash shields, a constant source of noise and annoyance, are replaced by the wide, deep Victory chassis frame; wide, heavy-gauge one-piece fenders and drum-type head-lamps are provided. Upholstery, hardware, instruments, color combinations and other appointments satisfy the most exacting demands of style and good taste.

Indeed, you have a distinct and thrilling impression that the car in which you are riding is long, low, swift and safe—a car of surpassing originality and smartness down to the smallest detail.

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Oxford Paper Interests Seek N. Scotia's Leases

From Our Own Correspondent

SYDNEY.—The recent visit to eastern Nova Scotia of Hugh J. Chisholm and Charles A. Gordon, president and vice-president of the Oxford Pulp and Paper Company, Ltd., in their private car, Palm Beach, has given rise to reports that that company has entered into hot competition with Royal Securities, of Montreal, for a lease of all unleased Crown lands in Cape Breton.

The Oxford people now hold (and work for pulp only) what is known as the Big Lease, originally held by Frank Barnjum, and for years an outstanding bone of contention at every provincial election. It amounts to 600,000 acres, and it is understood that the Oxford people, if successful in getting the rest of the Crown lands, would manufacture paper as well as pulp. James Cummings, of New Glasgow, for a time had an option upon these unleased Crown lands, but it was permitted to expire unexercised.

So far the Halifax provincial authorities will make no statement as to the probability of a lease.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bridge 7s '55 ..	108¼	...
Do. 6s '45	108	...
Nia. Gen. Elec. 1st 5s '39 ..	104¾	...
Nia. & E. Pow. 5s, '30	103	104
Lockport L. H. & P. 5½ '54 ..	102½	104

Stock Market Record

WEEK ENDING JANUARY 3

	Div. Rate	Yield Dec. 31	High for wk.	Low for wk.	Close Jan. 3	Close Dec. 24	Sales for wk.	Range, 1927 High	Range, 1927 Low
Banks—									
Commerce	12+1	4.69	279	267½	278	275	194	295	228
Dominion	12+1	4.90	265	260	265	260	174	275	217
Can. Nationale	10	5.31	190	188	190	189	20	198	160½
Imperial	12+1	5.28	248	244	246	245	112	256	214
Montreal	12+2	4.17	336½	334	336½	334	425	355½	272
Nova Scotia	16	4.16	385	380	384	386	158	399	298
Royal	12+2	4.08	344	340	344	335	1084	344	257
Standard	12	5.04	238	236	238	237	147	250	196
Toronto	12+1	4.62	281	275	280	276	35	287	227
Paper—									
Abitibi, com. (no par)	5	3.37	149⅛	145	145½	146¼	4611	149½	82
Do. pref.	7	5.64	...	...	...	...	...	125	113
Belgo-Can., pref.	7	6.39	110	107⅛	107½	110	240	110	101
Brompton (no par)	$2	3.70	55⅛	53⅞	55	55½	1585	64	31
Fraser, pref.	7	5.22	135	132¼	134	135	1162	141	96
Int. Pap., c. (no par)	$2.40	3.28	74¼	72⅛	72¾	74	11000	81½	39½
Do. pref.	7	6.42	109⅛	107	107	108¾	170	112½	98⅞
Laurentide	6	5.05	119	116	117½	119⅝	5070	120	90
Port Alf. P., c. (no par)	.	...	98	97½	97½	100	16	100	55
Do. pref.	7	6.82	103	102½	103	102½	241	107½	95
Price Bros., com.	2	2.56	78½	77	78	78	489	80¾	51¼
Do. pref.	6½	6.28	103¾	103¼	103⅜	103⅜	187	105⅛	100
Smith, Howard, com.	.	...	71½	70½	71½	70	328	75	59
Do. pref.	8	6.92	115½	115	115½	115½	71	117½	108¼
Span. River, com.	7	4.86	148	140	143	145	1646	148	97⅛
Do. pref.	7	4.63	154¼	150	152	150	1236	160	110¼
St. Maur. V. c. (n. p.)	.	...	74½	73½	74	73	981	82	47
Do. pref.	7	6.79	103	102	103	103	125	105¾	94½
Wayagamack (no par)	$3	2.75	110	107⅝	108	111	1110	123½	46¼
Steel and Steel Industries—									
B.E. Steel, com.	.	...	...	...	...	...	...	3½	½
Do. 1st pref.	.	...	25	23	23	29	39	35½	10
Do. 2nd pref.	.	...	3½	3	3½	3¼	433	6½	1
Can. Car & Found., c.	.	...	48	44½	46½	48	570	55¼	35
Do. pref.	7	7.60	92½	92	92½	92	360	94½	85½
Can. Fairbanks, pref.	6+3x	5.76	...	...	...	...	...	104	80
Can. Forgings, com.	.	...	...	...	...	...	...	27	17
Do. pref.	.	...	...	...	...	...	...	87½	66
C.G.E., c. (par $50)	.	...	...	...	...	...	...	69	49
Do. pref. (par $50)	7	5.64	62	61	62	61	281	63	55
Canada Iron, com.	.	...	...	...	...	...	...	28	12
Do. pref.	4	...	...	...	...	...	...	60	42
Can. Locomotive, com.	.	...	...	...	...	...	...	48	25
Do. pref.	7	9.33	75	75	75	75	10	89	70
Dominion Bridge	.	...	73½	71	72¾	73½	11649	76	57
Dominion Coal	.	...	...	...	...	...	...	85	67
Dominion Iron, pref.	.	...	...	...	...	...	...	5	1½
Dom. Steel Corp., pref.	.	...	44	44	44	44	200	44	20
East. Steel Prod. (n.p.)	.	...	23½	23	23	24	345	25	20
Ford Motor	15	...	...	...	...	...	...	475	436
Gould Pumps, pref.	7	7.00	...	...	...	...	...	100	100
Kelvinator, c. (no par)	.	...	6	4	6	5	380	15	4
Do. pref.	7	...	...	...	...	...	...	95	50
Massey-Harris, c. (n.p.)	.	...	42¼	39½	41½	41⅞	25653	43⅛	29
Do. pref.	7	6.42	109¼	105	109	108¾	193	109¾	103¼
McKin. Ind., c. (n.p.)	.	...	25½	25	25½	24	135	25½	15
Do. pref.	7	7.14	98	98	98	97½	24	98	93¼
Do. Vot. Trust	.	...	28	24½	28	24⅞	900	26¾	15
Ontario Steel, com.	6	5.00	120	120	120	119	10	120	73
Do. pref.	7	6.25	...	...	...	...	...	115	100
Page Hersey, c. (n.p.)	$3	3.44	87	85½	86	85½	1285	90	55½
Do. pref.	7	4.04	173	172	172	173	199	180	116
Pressed Metals, com.	$3	6.12	50	49	50	48	255	64	34¼
Do. pref.	7	7.60	...	...	...	...	...	97	85
Russell Motor, com.	4	7.01	57	57	57	57	2	60	52
Do. pref.	7	7.07	99	98	98	97	70	99	90⅛
Steel of Canada, com.	7	3.73	188	185	187¾	185	1840	222	117
Do. pref.	7	3.91	181	178	179	178	150	205	127
Milling, Foodstuffs and Merchandising—									
Alta. P. Gr., c. (n.p.)	.	...	58	51½	52	53¼	1495	58⅝	19½
Do. pref.	7	7.17	97½	96	97½	96	519	98	85
Arnolds, c. (no par)	.	...	16¾	15¾	16½	16	505	26	10½
Do. pref.	.	...	88	87½	87½	88½	10	95	81
Atlan. Sug., c. (no par)	.	...	23	22½	23	22½	213	32	17½
Do. pref.	.	...	80	80	80	85	25	100	80
B.C. Fish., c. (no par)	$1.25	11.62	12	10	10¾	10	855	22	8
Do. pref.	7	10.76	67	60	65	67½	201	90	60
Can. Bak., c. (no par)	.	...	38	37	37	38	80	42⅛	26
Do. pref.	7	6.73	105	104	105	104	22	106	97
Can. Bread, c. (no par)	$6	3.76	159½	159	159	159¾	120	172	90
Do. pref. (A)	7	5.98	117	117	117	118	10	125	108½
Do. pref. (B)	7	6.36	110	110	110	110	11	115	103
Can. Canners, com.	.	...	104	100	104	100	259	104	21
Do. pref.	5	4.11	125	119	125	119⅞	2363	125	76
Do. com. (new)	.	...	18	17	18	17	2565	17¼	16
Do. 1st pref.	1½	...	93½	91¾	92½	93	1938	94¼	93
Do., 2nd pref.	15c.	...	20	19	20	19	10977	20	17
Canadian Salt	8	5.12	...	...	...	...	...	156	123
Christie Br., c. (n.p.)	$1.20	1.33	90⅞	75¼	87½	75	11075	90⅝	38
City Da'y, c. (par $25)	3+1	1.73	233	211¾	229	212	1165	230	79
Do. (new)	.	...	59¼	57¾	57¾	...	690	...	...
Do. pref.	7	5.83	...	...	...	...	...	128	112
Cuban Can. Sugar, c.	.	...	...	...	...	...	...	5	1¼
Do. pref.	.	...	28	28	28	28	20	37	26
Wm. Davies (A) (n.p.)	.	...	44	43	43	42½	80	45	25
Do. (B) (no par)	.	...	19½	19	19½	20¼	500	20¼	9
Dom. Stores (no par)	$2.40	2.24	108¾	104	107	104	2196	108¾	65
Ham. Dairies, c. (n.p.)	.	...	50½	48	50	51	430	55	24
Do. pref.	7	6.86	102	102	102	102	35	103	95¼
Hunts, Ltd., c. (n. p.)	.	...	45	45	45	45	60	45	20
Do. pref.	7	7.00	...	...	...	...	...	100	20
Inter. Milling, pref.	7	6.52	107½	107½	107½	107	3	109½	104
Lake of Woods, c.	12	6.99	172	170	170	172	110	198½	130
Do. pref.	7	5.83	...	...	...	...	...	125	110
L. Secord, c. (no par)	.	...	38	37	37	39	40	47½	26
Do. pref.	7	5.69	125	121⅛	121⅛	126	30	140	102
Loblaw, com. (no par)	$1	1.07	95	93	95	92½	50	100	48
Do. pref.	7	5.38	130	130	130	135	15	135	107
Maple Leaf Mill., c.	.	...	107	106	107	106	70	110½	49
Do. pref.	7	6.73	105	103	104	105	90	105	94
Muirheads, c. (n.p.)	50c	3.55	15	13⅞	14¾	14	1095	14¾	8⅞
Do. pref. (par $10)	75c	4.47	16½	15⅞	16½	16½	331	16¾	10⅞
Nat. Grocers, pref.	8	8.16	...	...	...	...	...	101	98
Ogilvie Fl., c. (no par)	5+10	3.53	425	425	425	405	70	435	205
Do. pref.	7	5.18	135	135	135	139	30	145	120¼
Pure Gold Mfg. (n. p.)	$1.50	6.82	22½	22	22½	22	85	22	19½
Shred W., c. (no par)	$3	4.25	72	70	70	71	715	74¾	55
Stanfords, c. (no par)	$1	4.00	25	24¾	25	25½	36	26½	19
Do. pref.	7	7.36	95	94½	95	94½	35	95	88½
St. Law. Flour, c.	.	...	38	35	38	38	15	45¼	25
Do. pref.	7	7.77	...	...	...	...	...	90½	79½
Viau Bsc., c. (no par)	.	...	15	15	15	15	50	26	15
Do. pref.	7	8.18	86	85½	86	86	50	92½	83½
W. Can. Fl., c. (n. p.)	$1.40	4.00	37½	35	37½	37½	23	41⅞	22
Do. pref.	6½	6.34	102½	102⅛	102½	102¾	5	106	100
W. Groc., c. (no par)	$1	5.00	20	19	19	20	22	29	13
Do. pref.	7	9.09	77	77	77	77	12	84	74¼
Utilities—									
Bell Telephone	8	5.16	156	153½	154	154	212	159⅜	137
Calgary Power	5	5.00	...	...	...	...	...	100	50
Consumers Gas	10	5.09	196½	196	196½	196½	60	199	171½
East Koot. Pr. (n.p.)	.	...	...	...	...	...	...	29¼	25
Do. pref.	7	7.08	99¼	99⅝	99⅝	100	10	100	95
Int. Util. (A) (n.p.)	$3.50	6.86	51¼	49	51	49	14045	52½	28
Do. (B) (no par)	.	...	10⅝	9	10½	9¼	8768	13½	4½
Jamaica Pub. Ser., pf.	7	6.66	105	105	105	104	50	105	97
Laurentide Power	5	3.44	...	...	...	...	...	150	105
Mackay, com.	7	6.14	118	114	117	115	490	132½	108
Do. pref.	4	5.79	69½	68½	68½	69	84	74	67
Mexican Light, c.	.	...	65	63½	65	62	475	65	27
Do. pref.	3½	...	74	74	74	70	10	120	65
Mont L H & P (n.p.)	$2	2.22	90	88¾	89¾	90	4661	96⅝	68⅛
Mont. Teleg. (par $40)	8	6.03	53¼	53¼	53¼	54	5	54	49
Nor. Mex. Pr., c.	4	4.12	97	89⅞	93	90	2575	97	42
Do. pref.	7	7.21	97	97	97	96½	20	97	82½
Ot. & Hull Pr., c. (n.p.)	.	...	...	...	...	...	...	42	26
Do. pref.	7	7.03	...	...	...	...	...	100½	96
Ott. L. H. & Pr., c.	6	4.47	134	134	134	134	13	141½	98½
Do. pref.	6½	6.18	107	106	107	107	50	108¾	101
Power Corp., c. (n.p.)	.	...	73¼	72½	72½	73	1670	80¼	27¼
Do. pref.	6	6.06	99	99	99	99¾	50	100	94
Quebec Power, c.	$2	2.26	91⅛	85½	91⅛	86	13991	88½	72
Shawinigan (no par)	$2	2.17	92⅝	89¾	92	91½	14190	94¾	67
S. Can. Pr., c. (no par)	$3	2.60	...	...	...	...	...	140	85
Do. pref.	6	5.71	105	104½	105	107	86	113	99½
Transportation—									
Can Pacific Rly.	10	4.77	213	208¾	209	212	87	218	166
Can. Steam., c. (n. p.)	.	...	35	35	35	35	105	42	34
Do. pref.	6	6.64	91	89	90	90	508	96½	82½
Do. voting	.	...	...	...	...	...	...	37½	31
Tractions—									
Barcelona (par $50)	1	...	68	66	67	63	45	68⅛	33½
Brazilian, c.	6	2.72	222⅛	218	220	219¼	16078	234⅞	102½
Do. pref.	6	3.27	183	180	182	182	308	197	104
Detroit Un. Rly.	.	...	1½	1½	1½	1	25	5	1
Duluth-Superior	$2	9.09	22	22	22	22	35	30⅞	21
Minneapolis S.S.	.	...	...	...	...	...	...	43½	42⅛
Mexican Trams.	.	...	...	...	...	...	...	21	19¼
Montreal Trams.	10	5.12	195	195	195	190	12	200	169
Ottawa Traction	4+1	7.35	68	68	68	68	20	70	64
Porto Rico Rlys., c.	$3	4.30	...	...	...	...	...	70⅞	59
Do. pref.	7	7.29	96	96	96	97	3	100	90
Twin City, c.	4	8.00	51	49	50¼	50	540	66	45
Do. pref.	7	6.71	...	...	...	...	...	104¼	100
Winnipeg Elec., c.	2	2.01	101½	97¼	101¼	98	2001	104½	60¾
Do. pref.	7	6.36	110	108	110	109¾	207	110	100¾
Textiles—									
Can. Conn. Cot., pref.	4	6.01	66⅝	66½	66⅝	66¼	95	69	36
Can. Converters	7	6.73	104	104	104	104	5	109	92
Can. Cotton, com.	8	5.51	145	141	145	140	35	145	115
Do. pref.	6	5.85	103	102½	102½	104	21	104	95
Can. Woollens, com.	.	...	...	...	...	...	...	19	5
Do. pref.	.	...	...	...	...	...	...	89	59¾
Cosmos Imp., c. (n.p.)	.	...	25	23¾	24	25	590	31½	13
Do. pref.	7	7.07	99	98	99	99	70	103	91¼
Dom. Tex., c. (no par)	$5	3.77	133	130	132	129	1036	135⅞	105
Do. pref.	7	5.55	...	...	...	...	...	128	115¾
Monarch Knit, c.	.	...	39½	39½	39½	37½	100	39½	7½
Do. pref.	.	...	48	48	48	50	15	54	45
Montreal Cottons, c.	6	5.04	119	119	119	120	10	120	110
Do. pref.	7	5.69	...	...	...	...	...	123	114
Penmans, c. (no par)	$4	3.84	104	100½	102	101¼	825	108	70
Do. pref.	6	5.74	...	...	...	...	...	105	101
Wabasso Cot. (no par)	6	4.78	...	...	...	...	...	137	84
Zimmerknit (no par)	.	...	24	23½	23½	24½	60	28½	18
Do. pref.	7	7.60	92	92	92	93	30	95	89½
General Industrials—									
Amer. Sales, c. (p. $20)	4	5.40	76½	74	74	74	202	78	60
Do. pref.	7	6.48	110	108	110	109	22	109	97½
Asbestos Co., c. (n.p.)	.	...	37¼	34½	34½	37	2383	39¾	20
Do. pref.	7	7.36	96	94¼	95½	94	592	102¼	82¾
Brant Cd., p. (par $25)	8	10.52	19	16	19	15	139	25	14
Building Prod., com.	1.20	3.53	34⅞	33	34⅞	33¾	2545	34½	23¼
Do. pref.	7	6.73	104	104	104	104	70	105	93½
Burt, F. N., c. (p. $25)	$3	4.34	69¼	68	69	69	202	71	56½
Canada Cement, c.	.	...	33	31½	33	33	2033	35¾	30
Do. pref.	.	...	98½	98	98½	98½	1109	101½	93
Can. Bronze, c. (n.p.)	.	...	69½	67	69½	68¼	2155	69	43
Do. pref.	7	6.39	110	109½	109½	110	80	110½	98½
Conduits, c. (no par)	.	...	...	...	...	...	...	32¼	23
Do. pref.	7	7.00	100	99½	99½	99½	70	102	92
C. Smelt. (par $25)	10+$10	7.45	268	256	256	268	1518	274½	215
Crow's Nest Coal	6	10.34	...	...	...	...	...	71⅛	50
Dom. Glass, c.	7	5.38	130	129½	130	131	300	144	104
Do. pref.	7	5.83	120	120	120	120	8	125	111¼
Dom. Rubber, pref.	7	...	...	...	...	...	...	75	75
E. Theat., c. (par $25)	$2	7.14	...	...	...	...	...	30	24
Do. pref.	7	7.21	...	...	...	...	...	100	92
Famous Players, com.	.	...	...	...	...	...	...	51½	20
Do. pref.	8	7.76	103	102	102¼	103	84	104	93½
Gilman, com.	6	5.58	107½	107½	107½	104½	10	112	104½
Do. pref.	7	6.08	115	115	115	107	8	125	107
Goodyear Tire, com.	$5	3.67	139	133	139	132	870	149	85⅛
Do. pref.	7	6.65	105½	104½	105	105	198	109	94½
Ham. Un. Theatres, c.	.	...	...	...	...	...	...	35½	7
Do. pref.	.	...	...	...	...	...	...	85	81½

	Div. Rate	Yield Dec. 31	High for wk.	Low for wk.	Close Jan. 3	Close Dec. 24	Sales for wk.	Range, 1927 High	Range, 1927 Low
Hayes Wheel, c. (n.p.)	.	...	29	26½	29	27¾	920	84¾	26
Do. pref.	7	7.00	...	...	...	...	...	101	91
Holt, Renfrew, c.	.	...	...	...	...	...	...	45	43
Do. pref.	7	7.44	...	...	...	...	...	94	85
Gotfred., c. (no par)	$1.50	10.00	15	15	15	15	41	15	15
Int. Nic., c. (par $25)	$2	2.33	87	83½	85½	87¼	48783	90¼	38
King Edward Hotel	$2	3.50	58	57	57	58½	15	60	12
Lyall Construction	.	...	47½	45	45	47½	50	63	25
Loew's, com.	.	...	40	40	40	40	20	47	38
Do. pref.	7	6.79	...	...	...	...	...	105	96½
National Brick, com.	.	...	4	4	4	4	95	10	4
Do. pref.	6	10.00	60	60	60	60	250	81	56
Pacific Burt, com.	6	5.12	120	117	117	119½	21	120	87
Do. pref.	7	5.83	...	...	...	...	...	120	99¾
Port Hope San., com.	4	2.00	200	200	200	200	25	200	125
Do. pref.	7	6.03	...	...	...	...	...	116	90
Rogers, Wm., com.	.	...	...	...	...	...	...	80	64
Do. pref.	7	7.00	100¼	100¼	100¼	100	20	102	92
Sher-Williams, com.	6	3.33	...	...	...	...	...	207	142
Do. pref.	7	5.60	125	125	125	125	...	127	117
Standard Chem., pref.	.	...	23	23	23	25	13	26	15
Sterling Coal	.	...	...	...	...	...	...	36	20
Tooke Bros., com.	.	...	20	17	20	17	102	20	5
Do. pref.	7	10.00	...	...	...	...	...	72½	65
Tuckett Tobacco, c.	4	4.21	...	...	...	...	...	100	69
Do. pref.	7	6.03	116	116	116	115	80	116	103¾
Woods Mfg., com.	.	...	...	...	...	...	...	46	39
Do., pref.	7	8.75	...	...	...	...	...	89	75
Beverage—									
Brading Brew. (n. p.)	$2	7.70	26	25	26	24	235	35½	20
Brew. & Dist. (p. $25)	5	1.47	18	16⅞	17¼	17½	1675	18	4½
Can. Brew. (no par)	$2	5.13	37⅞	36	36½	37	2480	39½	22¼
C. Ind. Alc. (no par)	$1.52	4.01	38	35½	37	35¾	5996	43⅞	21¼
Can. Malting (no par)	.	...	38	36⅝	37¼	37	4786	38	27⅞
Carling Brew. (no par)	$2	5.12	40	38¼	38½	39¾	5583	40	22⅞
Com. Alcohol (no par)	$1	3.84	26	25	25	27	405	70	15
Do. pref.	8	7.61	...	...	...	...	...	110	103
Cosgrave B. (par $10)	6	6.66	9	8½	9	8¾	170	12	6
Chas. Gurd, c. (no par)	$2	2.08	97½	94	95	97½	1596	100	28⅞
Do. pref.	7	6.54	107	107	107	107	170	110	93
Hiram Walker (no par)	$2	2.98	67¼	63½	67	65¼	19552	67	28½
Lake Ont. Brew. (n.p.)	$2	8.33	25	24	24	25	336	31½	18
Nat. Brew., c. (no par)	4	3.41	117	112	116¼	113	18772	117	65
Do. pref.	7	5.73	...	...	...	...	...	122	105
Nat. Distilleries	.	...	20	20	20	19¼	375	24	19
Seagram (no par)	.	...	26⅝	24¼	26⅛	25	13616	28⅞	15
Toronto Brew. (no par)	.	...	10	9½	10	10	340	13⅛	8
Oil—									
Ajax	.	...	75	70½	73	70	55767	75	6½
B.C. Oilfields (par $5)	.	...	...	...	...	...	...	2⅝	2
Beacon Oil	.	...	15¾	15	15½	15	240	20¾	13
Brit. Am. Oil (n. p.)	80+20	2.63	39	36¾	39	36¾	25415	39⅞	20
Can. Oil, c. (no par)	$1	2.22	46	45	45	43¼	415	48½	21
Do. pref.	8	5.88	136	136	136	133½	50	137	115½
Continental Oil	$1	5.00	20	20	20	19¼	121	22¼	16½
Foothills Oil	.	...	2.05	2.05	2.05	2.50	60	3.25	2.00
Frontenac Oil	.	...	32	30	32	30	3001	40	23½
Imperial Oil (no par)	$1.50	2.50	62¼	58¾	60¼	59⅝	5867	64½	37¾
Int. Pete. (no par)	75c	2.00	37⅞	36¾	37	37½	10410	39½	28
McColl, c. (no par)	80+50c	2.03	64	64	64	64	100	64½	22½
North Star, c. (par $5)	.	...	2.50	2.50	2.50	2.25	380	2.55	1.55
Do. pref. (par $5)	7	...	...	...	...	...	...	5.01	4.90
Petrol Oil	.	...	22	20	20	21½	15500	25	7
Supertest Pet., c.	50+50c	1.33	75	75	75	75	110	78	35
Do. pref.	7	7.07	99	99	99	99	85	100	92½
Trojan Oil	.	...	...	...	...	...	...	8.60	4.00
Venezuelan Pet. (p. $5)	.	...	...	...	...	...	...	7½	6½
Volcanic Oil	.	...	29	29	29	29	50	47⅞	23
Vacuum Gas	.	...	14	12½	12½	13½	3200	26	3
Trust and Loan—									
Can. Landed (par $50)	10+1	4.70	117	117	117	116	162	118	94
Can. Permanent	12	5.21	230	228	230	230	12	235	216¼
Col. Invest. (par $10)	6	...	...	...	...	...	...	7	5
Econ. Invest. (par $50)	4	3.44	...	...	...	...	...	60¼	53
Huron & Erie	7+½	4.93	...	...	...	...	...	152⅛	139
Landed Banking	10	5.00	...	...	...	...	...	200	161
Mont. Loan (par $50)	12+1	6.76	...	...	...	...	...	52¾	47
National Trust	12+1	4.56	...	...	...	...	...	285	232
Ont. Loan (par $50)	12	5.00	...	...	...	...	...	120	111
Real Estate Loan	7	6.54	...	...	...	...	...	107	100
Toronto Gen. Trusts	12	4.41	...	...	...	...	...	272	220
Toronto Mge. (p. $50)	10+1	5.09	...	...	...	...	...	110	100
Union Trust	7	5.18	135	135	135	130	5	135	104
CURB AND UNLISTED MARKETS									
Asch, com. (no par)	.	...	29	29	29	29	45	34½	27½
Do. pref.	.	...	93	93	93	93	19	94	93
Anticosti, pref.	7	...	...	...	...	...	...	98¾	98
Attendu Eng. (par $1)	.	...	15	11	14½	11	1620	35½	8
Belding, com.	6	7.50	...	...	...	...	...	88	67
Do. pref.	7	7.07	99	99	99	98	10	100	96½
Can. Celanese (no par)	.	...	81¼	75	77	80	660	85½	52¾
Do. pref.	.	...	103½	100	103	98¾	1092	103	88
Can. Light & Power	.	...	...	...	...	...	...	55	20
Can. Nor. P., c. (n. p.)	.	...	71	71	71	70	10	75	42
Do. pref.	.	...	107	107	107	100	10	102	97
Cockshutt, pref.	7	7.00	112	107	112	111½	1480	115⅛	67
Cooksville Sh. Brick, c.	4	3.67	...	...	...	...	...	14	10¾
Do. pref.	4	...	...	...	...	...	...	55	50½
Dom. Engineering	$2	3.81	54	49	54	52	290	60	45
Dom. Power, pref.	7	6.93	...	...	...	...	...	102	100
Dryden Paper (no par)	.	...	37	35	36	36	6116	37	9½
E. Dairies, c. (no par)	.	...	55½	53	54½	52½	365	57¾	20½
Do. pref.	7	7.07	100	99	99	101	47	101	94
Eng. Elec., c. (no par)	.	...	...	...	...	...	...	18	11
Do. pref.	.	...	...	...	...	...	...	95	92½
Farm. Dairy, c. (new)	.	...	27	26½	26½	...	...	27	26½
Do. pref.	7	...	110	110	110	110	775	110	105
For. Pr. Secs. (no par)	.	...	40	38½	40	40	22	46	29
Illinois Power, pref.	7	6.96	100½	100½	100½	100½	662	101½	98
Imp. Tob., c. (p. $5)	6+1½	4.11	9¾	9	9¾	9⅜	3	11	6¾
Inter. Power, com.	.	...	43¼	42	43	42	9410	50	14½
Do. pref.	7	7.21	98	97	98	98	435	98	85
Kemsley	.	...	16⅛	16⅛	16⅛	16⅛	395	17¾	14⅝
Loew's London, com.	3	...	...	...	...	...	15	7¾	4¼
Man. Power (no par)	$2	2.28	88	85	85	85	484	96½	50
Do. Rts.	.	...	12	10½	12	10½	611	17	8½
Mitchell, J. S.	.	...	38¼	38	38	39	50	41	28
Mount Royal, com.	.	...	...	...	...	...	...	6	3
Do. pref.	6	...	...	...	...	...	...	55¾	40
North. Bak. (no par)	.	...	45	42	45	42	8196	45½	25
N.S. Car, c. (no par)	.	...	42	39	41½	39½	2645	45	18¼
Ott. Mtl. Pr., c. (n.p.)	.	...	...	...	...	...	...	25	19
Do. pref. (par $50)	7	...	...	...	...	...	...	53⅝	47
Ott. Riv. Pr. (no par)	.	...	...	...	...	...	...	26	23
Paton Mfg., c. (n. p.)	.	...	...	...	...	...	...	60	50
Do. pref.	.	...	...	...	...	...	...	100	95
Perfection Glass	.	...	3½	3½	3½	3½	350	8	3
Photo Eng. (no par)	.	...	34	32	34	33	900	35	31
E. L. Ruddy, pref.	.	...	101	100	100	100½	50	101	100
Service Stn. Equip.	$1.60	4.21	38½	33½	38½	33½	8460	38	31
St. Maur. Power	4	2.28	175	170	173	170	375	175	96
Simpson, Robt., pref.	6	5.82	...	...	...	...	...	103	100
Sover. Secs. (par $5)	.	...	...	...	...	...	...	2.00	1.50
St. Law. Pap., c. (n.p.)	.	...	103	98	101	103	645	108	35
Do. pref.	8	6.89	116	116	116	117	66	117	104
Standard Clay	.	...	...	...	...	...	...	40	38
United Secs., com.	.	...	64	64	64	64	270	70½	43½
Do. pref.	6	5.74	105	104½	104½	105	133	118	103¼
Wallace Sand	.	...	...	...	...	...	...	3	2¼
Wolthausen (no par)	.	...	...	...	...	...	...	25	20

xArrears.

Bond Movement of the Week

Week Ending January 3

Bonds	Int. Rate	Due	Yield	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, gen. mtge.	6	1956	6.14	88¾	81¼	98	88	98	97	98	97½
Mexican L. & Pr.	5	1940	8.09	71	67	80⅛	68⅝	.....	75	75¼	.....
Montreal Tram. "A"	5	1955	5.00	95	92½	100	94¼	100¼	100	100	99¾
Do., 1st mtge.	5	1941	4.85	98½	93	101½	97⅞	101⅜	101	101½	100¾
Quebec Rly.	5	1939	4.83	100⅞	96	101½	96	.....	101⅛	101½	.....
Sao Paulo	5	1929	5.80	97⅛	95½	98½	98	.....	98½	98½	.....
Steel of Can.	6	1940	5.19	107½	106	107½	105	.....	106½	107½	.....
War Loan	5	1931	4.30	102.40	100.35	102.70	100.75	102.65	102.60	102.65	102.60
Do.	5	1937	4.19	104.95	102.75	106.75	102.95	106.70	106.45	106.70	106.30
Victory Loan	5½	1933	4.26	106.35	103.20	106.55	105.05	106.50	106.30	106.50	106.30
Do.	5½	1934	4.60	104.40	102.65	105.55	103.20	105.45	105.40	105.45	105.20
Do.	5½	1937	4.18	109.30	106.70	111.15	108.65	111.10	110.85	110.80	110.65
Do., renewal	5½	1932	4.52	103.90	101.95	104.40	101.85	104.50	104.30	104.30	104.10
Do., refund	5	1928	4.50	101.35	99.85	101.50	99.75	100.70	100.45	100.45	100.35
Do., refund	4½	1940	4.29	96.95	95.60	102.50	96.50	102.60	102.35	102.50	102.30
Do., refund	5	1943	4.50	102.80	101.10	105.95	102.30	106.00	105.75	105.95	105.10
Do., refund	4½	1944	4.29	97.15	95.70	103.00	96.96	102.85	102.55	102.55	102.45
Do., refund	4½	1946	4.30	96.60	95.65	102.70	96.70	102.70	102.60	102.70	102.45

Stock Market Index

MARKET INDICATOR

	High	Low
20 Industrial Stocks		
Week of Jan. 4	119.9	116.0
Week of Dec. 28	118.8	114.4
Month of Jan., 1927	85.8	81.9
9 Bank Stocks		
Week of Jan. 4	$285	$282
Week of Dec. 28	283	280
Month of Jan., 1927	242	230
10 Public Utilities		
Week of Jan. 4	$113	$110
Week of Dec. 28	112	110
Month of Jan., 1927	91	85

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	8	1	.	9
Paper	5	10	4	19
Steel	14	6	18	38
Foodstuffs	21	19	17	57
Utilities	9	8	14	31
Tractions	7	1	7	15
Textiles	5	6	8	19
Industrial	29	19	47	95
Total	98	70	115	283

Dividends Declared

	Rate	Date	Record
Christie Brown, com.	30c	Feb. 1	Jan. 15
Do. pref.	1¾%	Feb. 1	Jan. 20
Wpg. Electric, com.	$1	Jan. 16	Nov. 30
Can. Car, pfd.	1¾%	Jan. 10	Dec. 27
Manitoba Power	$2	Jan. 16	Dec. 15
Bell Telephone	2%	Jan. 14	Dec. 23
Can. Nor. Power, pfd.	1¾%	Jan. 16	Dec. 31
So. Can. Power, pf.	1½%	Jan. 16	Dec. 24
Belgo-Can. Paper, c.	1½%	Jan. 12	Dec. 31
Steel of Can., com.	1¾%	Feb. 1	Jan. 7
Do. pfd.	1¾%	Feb. 1	Jan. 7
Teck Hughes	10+5	Feb. 1	Jan. 17
Brant. Cordage, pfd.	2%	Jan. 15	Dec. 20
Mining Corp.	12c	Jan. 25	Jan. 10
St. Maur. Pr.	1%	Jan. 16	Dec. 31
Shawinigan	50c.	Jan. 10	Dec. 23
Dom. Textile, pref.	1½%	Jan. 16	Dec. 31
Inter. Paper, pref.	1½%	Jan. 16	Dec. 29
Do. pref.	1¾%	Jan. 16	Dec. 29
Dom. Power, pref.	1¾%	Jan. 16	Dec. 21
Nipissing	1½%	Jan. 20	Dec. 31
East. Theatres, pfd.	3½%	Jan. 31	Dec. 31
Dom. Engineering	50c.	Jan. 14	Dec. 31
Dome Mines	25c.	Jan. 20	Dec. 31
Cons. Smelters	5+$5	Jan. 16	Dec. 31
Brompton, c.	50c.	Jan. 16	Dec. 31
Trinidad Elec.	1¼%	Jan. 10	—
Mutual Finance, c.	5%	Jan. 15	Dec. 20
Do. pref.	4%	Jan. 15	Dec. 20
Can. Guar. Trust	3%	Jan. 16	Dec. [illegible]
Monarch Mtge., com.	5c.	Jan. 15	Dec. [illegible]
Do. pref.	4%	Jan. 15	Dec. [illegible]
Russell Motor, com.	4%	Feb. 1	Dec. 31
Do. pref.	1¾%	Feb. 1	Dec. 31
Montreal, L. H.	50c.	Jan. 31	Dec. 31
Loew's Marcus, pfd.	3½%	Jan. 14	Dec. 30
Loew's London, pref.	3½%	Jan. 14	Dec. 30
Do. com.	3%	Jan. 14	Dec. 30
Span. River, com.	1¾%	Jan. 16	Dec. 31
Do. pref.	1¾%	Jan. 16	Dec. 31
Inter. Utilities "A"	87½c.	Jan. 15	Dec. 29
So Canada Power, c.	$1	Feb. 15	Jan. 31
Power Corp., pfd.	1½%	Jan. 16	Dec. 31
Nor. Ont. Light, pref.	3%	Jan. 25	Dec. 31
Imperial Bank	3%	Feb. 1	Jan. 16
Western Groc., pfd.	1¾%	Jan. 15	Dec. 31
Penmans, com.	$1	Feb. 15	Feb. 6
Do. pref.	1½%	Feb. 1	Jan. 31
St. Law. Paper, pref.	2%	Jan. 9	Dec. 26
Brading Brew., c.	50c.	Jan. 16	Dec. 31
Can. Brewing, c.	50c.	Jan. 16	Dec. 31
Can. Ind. Alcohol	38c.	Jan. 16	Dec. 31
Can. Fairbanks, pfd.	1½%	Jan. 16	Dec. 31
Maple Leaf Mill., pfd.	1¾%	Jan. 18	Jan. 3
Pressed Metals, c.	75c.	Jan. 15	Dec. 27
Standard Bank	3%	Feb. 1	Jan. 16
Tooks Bros., pfd.	1¾%	Jan. 16	Jan. 2
Abitibi, c.	$1.25	Jan. 20	Jan. 10
Hillcrest, c.	1½%	Jan. 14	Dec. 31
Do. pref.	1¾%	Jan. 14	Dec. 31
Montreal Tel.	2%	Jan. 16	Dec. 31
Tuckett Tob., c.	2%	Jan. 14	Dec. 31
Do. pref.	1¾%	Jan. 14	Dec. 31
Montreal Tram.	$2.50	Jan. 14	Jan. 6
Quebec Power	50c.	Jan. 16	Dec. 31
Belding Cort., c.	3%	Feb. 1	Jan. 14
Inter. Paper, c.	60c.	Feb. 15	Feb. 1

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low	Last Year High (Premium)	Last Year Low
Dec. 29	11-64	5-32	1-16	1-16
Dec. 30	11-64	11-64	7-64	1-16
Dec. 31	....	....	1-8	3-32
Jan. 1	.....	.....	...	...
Jan. 3	11-64	11-64	9-64	1-8
Jan. 4	3-16	11-64	9-64	1-8

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Dec. 29	4.87⅞	3.93⅝	5.28¼
Dec. 30	4.87¾	3.93 9/16	5.28¼
Dec. 31	4.87 13/16	3.93½	5.28
Jan. 1	.....	.....	.....
Jan. 3	4.87 11/16	3.93 5/16	5.28
Jan. 4	4.87½	3.93¼	5.28

FOREIGN EXCHANGE

Par		Dec. 28	Jan. 4
19.30	Italian	[illegible]	[illegible]
23.82	German	23.84	23.94
13.90	Belgium	13.94	14.01¼
49.85	Japan	46.63	46.92

Unlisted Stocks

These prices are mostly as at January 4, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	55.00	....
Border Cities, pfd., bonus c.	....	39.00
Brandram Henderson, com.	18.00	22.00
Brandram Henderson, pref.	81.00	....
Brantford Roofing	98.00	....
Brooks Steam Motor Units.	....	1.50
Canada Machinery, com.	6.50	9.00
Canada Machinery, pref.	26.00	30.00
Can. Paperboard, pref.	....	90.00
Canadian Westinghouse	210.00	250.00
Caulfields Dairy, com.	25.00	....
Copeland Flour Mills, pref.	19.00	....
Dom. Alloy, pf. bonus com.	1.00	2.50
Dom. Foundries & Steel, c.	2.00	4.50
Dom. Foundries & Steel, pf.	24.50	....
Dom. Linens, pref.	16.00	21.00
Dom. Manufacturers, com.	7.00	....
Dom. Manufacturers, pref.	69.00	....
Dom. Power, com.	40.00	45.00
Dom. Power, pref.	101.00	103.50
Dom. Sewer Pipe, com.	61.00	....
Dom. Sugar, com.	21.50	25.00
Dom. Sugar, pref.	94.00	97.00
Dunlop Tire, pref.	99.50	....
Durant of Canada	4.00	5.00
Gillett, E. W.	65.00	....
Goodyear Cotton, 7% pref.	102.00	....
Greening Wire, pref.	96.25	....
Guardian Realty, pref.	60.00	65.00
Huethers Brewing, pref.	1.75	3.75
King Edward Hotel "A"	79.00	82.00
King Edward Hotel "B"	74.00	77.00
Kingston Ship-Building, pf.	18.00	....
Loew's Buffalo, pref.	25.00	30.00
Loew's London, com.	5.25	6.00
Loew's London, pref.	8.25	9.25
Loew's Mansfield, pref.	85.00	....
Milton Brick Co.	16.00	....
National Steel Car, com.	39.00	39.75
Palace Thea. (Mont.), pfd.	80.00	....
Pure Food, com.	25.00	29.00
Simpson, Robt., pref.	102.50	....
Insurance		
British America	45	..
Canadian Fire, full pd.	115	125
Canada Life	975	1025
Canada National	16	20
Casualty of Canada, full pd.	180	..
Capital Life, 20% pd.	22	25
Confederation Life, 10% pd.	90	..
Continental Life, 10% pd.	65	..
Crown Life, full paid	325	..
Dom. of Can. Guar. & Ac.	325	..
Dominion Fire	105	..
Dominion Life, 50% pd.	450	..
Excelsior Life, 30% pd.	115	130
Federal Fire, 25% paid	40	..
Fidelity of Canada, full paid	140	150
Great West, full paid	530	550
Imperial Life, 85% paid	425	..
Manufacturers Life, 45% pd.	425	475
Monarch Life, 10% paid	41	45
Montreal Life, 20 paid	68	72
National Life, 25% paid	70	75
Ontario Equitable, 10% paid	38	40
Security Life, 45% paid	10	20
Sovereign Life, 25% paid	57	65
Sun Life, 75% paid	1750	1850
Toronto Casualty	27	30
Western Assurance	62	..

Mortgage, Loan, Etc.	Bid	Asked
B. C. Permanent Loan	$105.00	$ ....
British Mortgage & Trust	208.00	....
Capital Trust	55.00	65.00
Chartered Trust	82.00	86.00
Commercial Finance, com.	25.00	30.00
Commercial Finance, pfd.	78.00	84.00
Debentures & Sec., com.	70.00	....
Debentures & Sec., pref.	70.00	....
Lambton Loan & Savings	82.00	....
London Loan & Savings	45.00	50.00
Mfg. Finance, pfd. bonds, c.	6.00	7.00
Midland Loan & Savings	16.50	....
Mortgage Discount, pref.	6.50	7.00
Mortgage Discount, com.	.40	.80
Standard Trusts Co.	36.00	39.00
Mutual Finance, com.	6.50	7.50
Mutual Finance, pref.	6.25	7.50
Peoples Loan & Savings	79.00	....
Sherbrooke Trust Co.	106.00	....
Saskatchewan Mortgage	31.50	....
Sterling Trust Co.	94.00	....
Toronto Finance, pref.	....	3.50
Waterloo Trust & Savings	104.00	....

Club Shares	Bid	Asked
Bayview Golf	$	$ ....
Lakeview Golf	40.00	70.00
Lake Shore Golf	10.00	30.00
Lambton Golf	400.00	450.00
Mississauga Golf	20.00	35.00
Rosedale Golf	125.00	150.00
Summit Golf	25.00	45.00
Thistledown Golf	40.00	60.00
Thornhill Golf	....	90.00
Toronto Winter Club	40.00	....
Weston Golf	75.00	90.00
York Downs Golf	....	285.00

Recent London Quotations	Sales
Calgary Power	100¼
Hudson's Bay	91s. 3d.
Hudson's Bay, 5% pref.	97s. 6d.
Can. West Lumber	7s.
Standard Chemical, 7%	21
Dominion Tar	43s. 3d.
Mond Nickel	145s.
Lake Superior	3
Recent Vancouver Quotations	
B. C. Telephone, pfd., new	105½b.
Pacific Coyle, com.	13a.
Gosse Packing, com.	51b.
Do. pref.	65b.

Recent Winnipeg Quotations	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	..	105
Home Inv. and S. Assn.	74½	..
N. Mtge., fully paid	80	..
N. Mtge., 50% paid	36	..
Northern Trusts Co.	42	..
Standard Trusts Co.	..	35½
No. Star Oil Co., pref.	5.15	...
No. Star Oil, com.	3.00	2.50

Unlisted Bonds

	Bid	Asked
Abitibi Fibre, 6s, 1947	100	100¾
Abitibi P. & P. 6s, 1940	105	106
Algoma Steel 5s, 1962	41½	44
Alberta Pac. Grain, 6s, 1946	101	102
Bell Telephone, 5s, 1955	104	104½
Belgo Can. Paper, 6s, 1943	102	104
Brandram-Henderson, 6s, 1939	85	89
B.C. Pulp & Paper, 6s, 1950	89	91½
Brompton P. & P., 6sc, 1946	101	102
Burns, P. & Co., 6½s, 1943	103¼	..
Calgary Brewery, 5s, 1942	93½	94⅜
Calgary Power 5s, 1940	93¼	94½
Canada Biscuit, 6½s, 1946	101	103½
Canada Lt. & Pr. 5s, 1949	93½	94¾
Can. Nor. Power 6s, 1941	101⅝	102½
Can. Paperboard, 7s, 1937	98½	101
Can. Steamships, 5s, 1943	100⅞	101¼
Can. Steamships, 6s, 1941	101½	102½
Can. Steel Foundries, 6s, 1936	105¾	..
Davies, Wm., 6s, 1942	95	96
Dominion Iron, 5s, 1939	41	46
Dominion Pr. and Tr. 5s, 1932	98⅛	98⅞
Drummond Invest. 6½s, 1938	98½	100½
Duke Price, 6s, 1966	105¼	106
East Kootenay Pr. 7s, 1942	104¼	105¼
Elec. Development 5s, 1933	100¾	101½
Famous Players, 6½s, 1943	100½	..
Fraser Co., 6s, 1950	101⅝	102½
Gatineau Power, 5s, 1956	99½	99⅞
Gatineau Power, 6s, 1941	102¾	103⅜
Howard Smith P. & P. 6s, 1941	105	105½
King Edward Hotel, 7s, 1944	94	96
Lake Superior P. & P. 6s, 1941	106½	108
Laurentian Pr. 6s, 1936	109¼	..
Laurentide Pr. 5½s, 1946	101¼	102
Manitoba Pr. 5½s, 1951	102¾	103¾
Mont. L. H. & Pr. 5s, 1951	101⅝	102⅞
Mont. Pub. Service, 5s, 1942	100¼	101
N. B. Power 5s, 1937	92⅝	..
Nor. Ont. L. & P. 6s, 1946	103	104
Nor. West Utilities 7s, 1938	100	102
Nova Scotia Steel, 5s, 1959	64	68
Nova Scotia 6% Debs.	34	38
Nova Scotia Tram. 5s, 1946	95	96½
Nova Scotia Tram. 7s, 1952	100½	102
Ont. Pulp & Paper, 6s, 1931	109	110
Ottawa Hull Pr. 6s, 1948	104	105
Ottawa L. H. & Pr. 6s, 1953	105	106
Ottawa Mont. Pr. 6½s, 1949	104¾	105¼
Ottawa Trac. 5½s, 1955	101¾	102¾
Ottawa River Pr. 6½s, 1953	103	104
Port Alfred P. & P. 5½s, 1957	96½	97¼
Price Bros. 6s, 1943	105	106¼
Prov. Lt. Pr. 5s, 1946	101¾	103
Rio Tramways 5s, 1935	98	98½
Sao Paulo Tram. 5s, 1929	99	99¾
St. Lawrence Paper, 6s, 1946	101	102⅝
St. Maurice Valley 5½s, 1957	96	97½
St. Maurice Pr. 6½s, 1953	107	108
Shawinigan W. & P. 4½s, 1967	96½	97
Simpson's, Ltd., 6½s, 1945	103¾	104½
Southern Can. Pr. 5s, 1955	100	101½
Spanish River P. & P. 8s, 1941	107	108½
West Kootenay Pr. 6s, 1943	104	104¾

Aviation and Forest Protection

The growing importance of the part being played by aviation in forest protection against fire in Canada is shown by the large part of the total flying time devoted to forest patrols. In 1926 the total flying time of Royal Canadian Air Force craft devoted to civil operations was 2,278 hours of which 1,132 hours were required for the work of the Forest Service, Department of the Interior.

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Two New Elevators Go Up in Vancouver

Canadian National Railway trackage will be extended to Annieville, on the boundary between Surrey and Delta on the south shore of the Fraser River, to serve a million-bushel grain elevator to be constructed there immediately for the Fraser River Elevator Co.

Construction of the plant will be started in January, and it is expected that it will be finished by August, in readiness for the 1928 crop movement.

Major W. G. Swan, consulting engineer for the company, states that C. D. Howe & Co. of Port Arthur will have the plans completed in a few days and building tenders will be called within ten days.

Tenders have been called for construction of the superstructure of the Alberta Wheat Pool's Vancouver grain elevator. They will close in the Calgary offices of the organization on January 17, it is announced.

The contract calls for the erection of all buildings and installation of mechanical equipment. The superstructure is estimated to cost $2,000,000.

The storage capacity will total 2,000,000 bushels and the working capacity 400,000 bushels.

London Times Urges Young British Folk to Come to Canada

Opportunities Are Glowing and Living Conditions Attractive—Britain Fears American Capital Invasion

The London Times has had a special correspondent studying conditions in Canada and his observations are now being published in a series of special articles in that paper.

In an article discussing the "American invasion" the writer states that there is necessary above all else to-day a more thorough demonstration on the part of Great Britain that she has not lost interest, that she is with Canada in all her endeavors to grow and advance, and that she is willing to help all she can and not leave to others entirely the task of building up a great and strong Canada.

Comparison With U.S.A.

"Many people are ready to compare Canada with the great country lying to its south, and prophesy that, as the 19th century was the era of expansion in the United States, so the 20th century will be Canada's. As they look forward, they felt confident that, just as the United States grew and prospered in the last hundred years, so Canada will grow and prosper in the next hundred, and at some time in the not very distant future, will be as great and powerful, as wealthy and prosperous, as her great neighbor is to-day. But there is a difference. The United States grew up unchallenged and on virgin soil, while Canada is a young nation bursting into life under the shadow of a great and powerful neighbor whose presence dominates all her life, a neighbor whose wealth to-day is far beyond the dreams of past generations. People in Great Britain can catch but occasional glimpses and have vague dreams of the wealth of the United States to-day. To the Canadian it is an ever-present reality, flashing constantly before his eyes and obscuring everything else.

"The presence of this powerful neighbor on her frontiers is not without its influence on the problems of Canada to-day. Canada requires men and money for her development. The Americans have the money, and are both ready and anxious to invest it in any enterprise that shows a reasonable chance of fair returns. The opportunity lies ready at their door in this vast, undeveloped country, with its great natural wealth. Canada may have all the money she wants. Fortunes are made so easily in the United States, and lost and made again with the same ease, that little reckoning is taken there of risks. Americans are willing to take chances in Canada, and American capital is now pouring into the country in an endless stream. Canadians, ready always to take any step toward the development of their resources, are receiving it with open arms of many new enterprises. When they visit the United States they generally indulge in what is known as "selling Canada to the States"—that is, painting such glowing pictures of their undeveloped wealth and opportunities as may attract still more American money."

Migration Across Border

The Times article points out that while American capital is coming to Canada, Canadian people are going to the States in large numbers. "In 1925, to take an example, the number of people migrating to Canada was 84,907, but the emigrants from Canada to the United States numbered 86,048, from which total may be subtracted the number of returning Canadians, 40,987; the result will show that the movement reduced immigration to Canada by about half in that year, which was by no means the worst of recent years in that respect."

Invasion of Capital

Further speaking of the invasion of American capital the Times says: "St. James Street, Montreal, the financial centre of the Dominion, which in days before the war used to concentrate its attention on London as its chief backer and supporter, has now turned its eyes in the direction of Wall Street. That change was found necessary in the early days of the war, when British financiers were obliged to turn to the immediate task of carrying on the war. Canada was driven to seek money elsewhere. In the years since the war the vastly increased and ever-increasing wealth of the United States, and the abundance of surplus capital there, ever seeking fresh outlets for investment, have made it easy for Canada to find cheap and plentiful money in New York. There is no longer any occasion to look to London, even if money could be procured there with the same ease and as cheaply. The United States provides as much as Canada requires to-day, and will continue to do so as long as times are good in the United States.

"With the aid of American capital, vast developments are now going on in every part of Canada. We are prone, at times, to think of Canada solely as an agricultural country, where wheat grows in abundance with very little effort. The harvests of the last few years, it is true, have been plentiful and have brought great wealth to the country, and will continue to be the chief source of the country's prosperity, but much of the new developments in Canada is along other lines. The almost limitless electric power that can be generated along the rivers of Canada, with their numerous waterfalls and rapids, is now being extensively brought into service. It is difficult to realize the amount of water power that is available in Canada."

Summary is then given of many of the mighty industrial developments, based on cheap power, that are now going forward in Canada.

Branch Plants in Canada

The coming of American branch plants is also referred to. "If one could stand on the bank of the river at Detroit and look across to the Canadian bank, one could see before one's eyes, in concrete form, the overflowing of American capital and industry into Canada. Detroit has grown rapidly in the last 15 years, and its neighbor, Windsor, in Canada, has grown hand in hand with it. Detroit has really spread out over the border. Each automobile firm which has its headquarters in Detroit has its factory across the water in Canada. The same experience is general. American industry has spread all over Canada. At times it still retains its original name, but at times it is disguised with such high-sounding titles as 'Dominion,' 'Imperial,' and 'British,' and firms which bear the most patriotic names are often really but branches of American concerns.

Canadian Loyalty

"This 'peaceful penetration' of Canada by Americans, or 'commercial annexation,' as it is often called, is not, indeed, entirely new; and it would be useless and absurd to think that Americans could be prevented from taking a share in the development of Canada, and a very large share, too, as long as they have the money. Nevertheless, it may be asked whether the loyalty of Canada toward the Empire and her love of Britain can last in the face of the reality of American penetration.

Opportunities Presented

A stirring appeal to young men and women to come to Canada features an article on immigration. Canada requires, it is said, farmer workers and women to enter domestic service. The Canadian government shows a disposition to limit assisted passages to farm workers. But there is a limit to the number of experienced farmers available and experience in one country is not the best recommendation in the new country with its different problems. Many of the most successful western farmers had had no experience.

Young men with a small store of capital would be most welcome in Canada.

"There is a great deal in Canadian life which should make a very strong appeal to young men and women." Winter, instead of being severe, is the happiest time of the year in Canada. Distances have been wiped out by motor cars, telephone and wireless.

"Generally throughout Canada the standard of life is considerably higher than it is at home and the man who is willing to work at whatever he can find, and to do his best, has no limit to his possible achievement," says The Times.

Non-European Settlers

"In many quarters in Canada there is much alarm to-day to cut the excess of immigrants from other countries over those from Great Britain. It is clear that it would be impossible and undesirable to embark on a policy which sought to exclude settlers from these other countries, and yet, in order to preserve the character and standards of the country, it is absolutely necessary that the proportion of British settlers should be maintained and that settlers from other countries, particularly those that are backward, should have very considerable leaven of British settlers in their midst. Certain types of settlers are more welcome in Canada than others, and it has been found, in practice, that settlers from the northern countries of Europe are far more useful and better workers, and more likely to make their permanent homes in the country and become useful and loyal citizens, than those from the south, who undoubtedly suffer from the extremes of the climate of Canada, and often regard their stay as merely temporary till they have amassed a fortune sufficient to sustain them in their old age in their former homes. It is proposed by many of those who have studied the question most closely that immigration to Canada should be limited mainly to the Teutonic and Scandinavian races.

"The time, however, has hardly come for any strict limitation of the number or character of immigrants, and the present problem is rather to secure more and more men, and that as speedily as possible.

"In view of the urgent demand for more immigrants to Canada at the present time, it is evident that the aim should be to raise the total of British settlers above that of those from other countries rather than to reduce this latter total below the present British figure."

"The question is asked, and asked repeatedly:—Why are there not more British emigrants to Canada at the present time? With a million and more men out of work in this country, and apparently to be continuously and permanently out of work, why are not more men encouraged and assisted to seek their fortune in Canada, where there are such vast opportunities, and where there is constant demand for more and more men? One of the reasons given is that there is no longer carried on in Great Britain that extensive campaign for settlers which carried off men by the thousands in every ship that left the country in the spring of the year for Canada at the beginning of the century. Another is that people at home have apparently lost a great deal of that independence of spirit on which the Empire was built and which drove men abroad in the search for work when it was lacking at home. People in Canada feel that British emigration has been retarded by the system of unemployment relief which has been adopted in the country. They ask how long Great Britain can continue indefinitely carrying such a burden as it has to bear in the maintenance and relief of over a million people who are out of work and who evidently have little hope of getting work at home. One of the best investments which the country could make, it is said, would be to set aside a part of the money appropriated for relief to the purpose of enabling a certain number of unemployed to proceed overseas to lands like Canada, where there are greater possibilities and opportunities for the willing worker.

Mistaken Notions of Britain

It must be admitted that the continued publication, week by week, of the fact that there are a million and more people out of work in the country does not end to create a very favorable impression of Great Britain in other lands, and it is, further, a distinct hindrance to the cause of emigration, for it has created in the minds of people abroad a very wrong impression of the type of man who would emigrate from Great Britain. We are not readily disposed to pay much heed to what people say or think of us in other lands, but it is not at all advisable that we should keep ourselves wholly in ignorance. In the United States, and consequently in Canada, where many of the impressions and opinions are derived from the States, there is a very general idea that Great Britain is "down and out," that it has a million people who cannot find work, who do not exert themselves very greatly to find it, and would probably not work if they found it, that those who are at work do just as little as they can, and that through discontent and agitation the country is on the verge of a revolution which may break out at any moment and reduce it to a long period of poverty, distress, and starvation."

Advice to Exporters

A timely word of advice to British exporters who wish to increase their sales in the Canadian market features the articles. It points out that the United Kingdom buys more from Canada than it sells, but that Canada has for many years maintained a tariff preference in favor of British goods and generally shows an inclination to increase rather than wipe out the preference.

"The truth is that British traders might do a great deal better in Canada if more serious attempts were made to supply the needs of the Canadian people and realize that in Canada they have to contend with a most energetic and enterprising competitor whose skill in the arts of salesmanship and advertising his wares is unmatched in the world."

This competitor is, of course, the United States, which has obvious geographical advantages.

"In the struggle for Canadian trade, America has the inestimable advantage of being on the spot; she knows exactly what are the needs of Canada, for there is little difference in the standard of living and the needs of the people of the two countries.

Catchword Not Enough

"If he aims at making any progress in Canada the British trader must not think it sufficient to proclaim such a catchword as 'Buy Empire Goods,' and hope for the best results without any further effort. All the goodwill in the world cannot create a market for goods unless they are such as supply a real need. The British business man must first of all make a close study of Canada and send out such articles as will find a ready sale there. He must not rest satisfied with the reflection that his products find a market at home and should therefore satisfy Canadians. The reputation of British goods for high quality stands as high in Canada as elsewhere; the same cannot be said of their suitability for the Canadian market. A close study, too, should be made of American systems of advertising and salesmanship, for unless the British business man can cope with his rival in both those matters he cannot hope for much success."

Must Advertise Like Americans

The Times article continues:

"Above all things, American business people are advertisers. In good times and in bad they believe in making their goods known. Their methods of standardized and mass production have set free a greater amount of money for advertising. Their goods are known by trade names which by continuous advertising have become almost household words, and, if a man enters a shop to purchase a collar, a shirt, a tie, shoes, or any other article almost, he does not ask for the article itself but for a certain standard make with which he has been long familiar. The strong prejudices created in the minds of the purchasing public by such extensive advertising and by experience have to be combated by any trader who would break through this virtual monopoly, and it will be found to be no easy job. Still, all things being equal, a great many Canadians would be ready and willing to give British goods a preference in making their purchase, but it is necessary that these goods should supply a real want, and that they should become well known by name and reputation to the Canadian purchasing public. It is also necessary that British traders should have their goods on the spot. A Canadian client can call through by telephone to an American depot and have his requirements supplied within 24 hours,, but cases are not unknown where manufacturers, who were prepared to instal British machinery in their factories, found that if a part of a machine were broken they would have to wait for weeks till spare parts were secured from Britain, and for that reason the opportunity has been lost."

Suggests Branch Plants

The possibility of the further establishment of British branch plants in Canada comes in for discussion.

"There are already a number of business and factories in Canada established, controlled, and managed by British firms, and many other firms might find it profitable to erect branch factories in Canada. Being on the spot they would have a chance of capturing the Canadian market; they would have the advantage of cheap power with which Canada abounds, and they might be able to send out some of the unemployed from this country to work there and thus help to solve some of the problems at home."

The series of articles concludes with a plea to British business men to visit Canada and study the market for themselves.

Rumor National Biscuit Trying to Buy Christie in Open Mart Doubted

Following the announcement first published in The Financial Post, that the present interests controlling Christie, Brown & Co. have no intention of selling, a rumor has arisen that National Biscuit Co. of the United States is attempting to achieve control in the open market.

It is not apparent that such a manoeuvre would succeed, although there may be a sufficient number of shares in the open market to secure National Biscuit a substantial interest in this Canadian company. The Wall Street Journal says National seeks no properties outside the United States.

On the whole, however, it is doubtful if there are any interests buying Christie, Brown for this purpose. The stock ranks highest of the biscuit stocks listed on the New York exchange. The reason is that the company has been doing exceptionally well, and because the outlook is excellent. Over a term of years, those who are familiar with this company are confident that the investment will be highly satisfactory to purchasers of the stock.

The immediate improvement in the position of the stock is due partly to the increased earnings of the company and partly to the fact that, with the retirement of the preferred and the steady redemption of bonds, an increase in the common stock dividend may be expected at a comparatively early date. The company now is paying $1.20 annually.

T. P. Loblaw Will Try Psychology of Opening Many Stores Same Day

Further financing of Loblaw Groceterias, Inc., the Buffalo venture related to the Canadian company of the same name, will be announced shortly. It is believed that preferred and common stock to the total of $1,500,000 will be offered by T. P. Loblaw and associates.

The new capital will be used to open a large number of stores simultaneously in Chicago, which is an entirely new field for Loblaw's, although not by any means a new field for chain stores. The Loblaw board of strategy has determined that the simultaneous opening of a number of stores in a large city is economical from the point of view of advertising expense and is certain to have a favorable psychological effect. The Loblaw experts, after a most careful reconnaissance, have determined that Chicago is a favorable field, viewed in the light of the successful Buffalo experience, and have chosen a score or more sites which time and records have indicated will be suitable for groceterias.

Revived Motor Trade Stimulates McKinnon

Among the companies which have benefited by the revival of the lagging motor industry outside the Ford vertical trust is McKinnon Industries of St. Catharines, which manufactures what is known as the third member of a General Motors chassis which comes almost directly in competition with the Ford. Increased business is anticipated as a result of the announcement of new models to compete with the Ford.

The stock market has begun to reflect the improved outlook for McKinnon Industries, recent sales being several points higher than the quotations which have prevailed for several months.

BIGGER
and
BETTER

THIS week The Financial Post appears in a new size—the standard daily newspaper size. The rapid growth in circulation and editorial service of The Financial Post has made necessary the installation of the most modern type of press and this at the same time has made a new shape and size desirable for The Post.

The Financial Post now has a paid circulation of over 13,000 among Canadian investors, a distribution never before achieved by any Canadian financial paper and a circulation that puts The Post among the important financial papers of the world.

If you have not yet been introduced to that good weekly habit of reading The Post for pleasure and profit, buy your copy of the bigger and better Post at your news-stand to-day.

The Financial Post
News Stands
10c

INTERNATIONAL PAPER COMPANY

New York, December 28th, 1927.

The Board of Directors have declared a quarterly dividend of Sixty (60c) Cents a share on the Common Stock of this Company, payable February 15th, 1928, to Common Stockholders of record at the close of business February 1st, 1928.

Checks to be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President and Treasurer.

Belding-Corticelli LIMITED

DIVIDEND No. 9

The Directors of Belding Corticelli Limited are making a distribution from the earnings of the half year ended Nov. 30th, 1927, of Three per cent (3%) on the Common Stock of the Company, payable February 1st, 1928, to Shareholders of record January 14th, 1928.

By Order of the Board.
W. P. MacDOUGALL,
Secretary.

RURAL MUNICIPAL[illegible] OF DAUPHIN

Debentures for Sal[illegible]

SEALED TENDERS add[illegible] the Secretary-Treasurer, [illegible] Municipality of Dauphin, D[illegible] Manitoba, and endorsed on [illegible] "Tender for Debentures," are [illegible] for the purchase of forty-three [illegible] sand dollars, twenty-year, [illegible] cent. annuity bonds under B[illegible] No. 709, payable at the Bank [illegible] Montreal, Dauphin, and dated J[illegible] ary 1st, 1928, with interest [illegible] attached.

Offers for the above-[illegible] debentures will be received up [illegible] o'clock noon on Saturday, [illegible] 21st, 1928, and should be [illegible] Dauphin funds and delivery [illegible] legal opinion at expense [illegible] chaser.

The Municipality does not [illegible] self to accept any tender.

The taxable assessment of [illegible] Rural Municipality of Dauphin [illegible] $2,360,819.00 (equalized for Pro[illegible] cial purposes at $5,080,000.00) [illegible] debenture debt, including this [illegible] is $268,310.84, of which $154,[illegible] is for Good Roads purposes [illegible] guaranteed by the Province and [illegible] 865.06 is for Local Improvement [illegible] poses; the general tax rate is [illegible] mills; the population is 4,2[illegible]

J. A. GORBY,
Secretary-T[illegible]

Dated at Dauphin, Manitoba, [illegible] 30th day of December, 1927.

The Dominion Ba[illegible]

Notice is hereby given that [illegible] Annual General Meeting of [illegible] Shareholders will be held at [illegible] Head Office of the Bank, in T[illegible] on Wednesday, 25th January, [illegible] at twelve o'clock noon.

By order of the Board.
C. A. Bogert,
General M[illegible]

Toronto, 24th November, 1927.

ABITIBI POWER & PA[illegible] COMPANY LIMITED

Dividend Notice

Notice is hereby given that a [illegible] terly dividend of One Dollar [illegible] Twenty-five Cents ($1.25) per [illegible] has been declared on the Co[illegible] Stock of the Abitibi Power & [illegible] Company Limited, payable the [illegible] day of January, 1928, to shareho[illegible] of record at the close of business [illegible] 10th day of January, 1928.

By Order of the Board.
W. H. SMITH,
Secretary-Trea[illegible]

PREFERRED [illegible]
No. [illegible] 8

Diversified Standa[illegible] Securities, Limi[illegible]

NOTICE is hereby given that a divid[illegible] of two per cent. (2%) on the fully [illegible] up Preference Shares, for the quarter [illegible] December 31st, 1927, and being at the [illegible] of eight per cent. (8%) per annum, for [illegible] time so paid-up, for the current quarter [illegible] has been declared payable January [illegible] 1928, to holders of record, December [illegible] 1927.

By order of the Board.
A. G. T[illegible]

Montreal, December 19th, 1927.

DIVIDEND NOTICE

King Edward Ho[illegible] Company, Limited

A dividend on the common shares [illegible] the Company, at the rate of $2.00 [illegible] share, has been declared payable [illegible] January 15, 1928, to shareholders [illegible] record at the close of business [illegible] January 5, 1928.

By order of the Board.
D. H. McDOUGALL,
Secre[illegible]

Toronto, Jan. 4, 1928.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarter per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY Limited has been declared for the quarter ending December 31st, 1927, payable January 16th, to shareholders of record December 31st.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, December 2nd, 1927.

Steel's Consolidated, In[illegible] and Steel's Consolidated, Ltd.

6% Mortgage Bonds

Notice is hereby given that the fourth regular half-yearly interest payment, at the rate of 3%, due January 1st, 1928, on the First Mortgage Refunding and Improvement 6% [illegible] Bonds of Steel's Consolidated, In[illegible] and Steel's Consolidated, Limited has been paid by vouchers for the amounts thereof, mailed on the [illegible] day of December from the offices of the Companies to Bondholders of record.

STEEL'S CONSOLIDATED LIMITED
By C. H. MacKenzie,
Secretary-Treasurer.

December 28th, 1927.

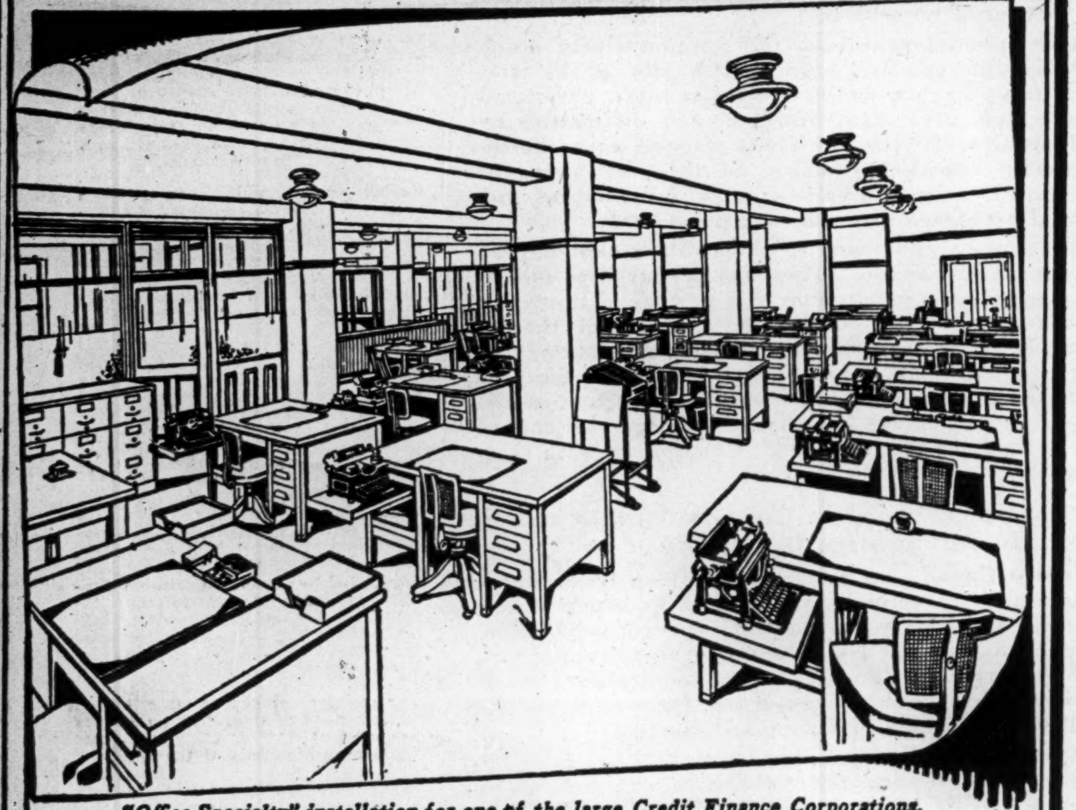
The BRADING BREWERIES LIMITED

Common Dividend No. 16

Notice is hereby given that a Dividend of Fifty Cents (50c) per share upon the NO-PAR-VALUE COMMON STOCK of this Company has been declared payable January 16th, 1928, to Shareholders of record at the close of business December 31st, 1927.

By order of the Board;
JOHN RANKIN;
Secretary-Treasurer.

Ottawa; 22nd December; 1927.



"Office Specialty" installation for one of the large Credit Finance Corporations.

Standardize on "OFFICE SPECIALTY" Equipment

Complete Line - Complete Service

YOUR advantage of buying standardized office furnishings and supplies—direct from the manufacturer's own branch—is in the unfailing promptness with which you can add to your equipment and replenish your supplies with uniform satisfaction.

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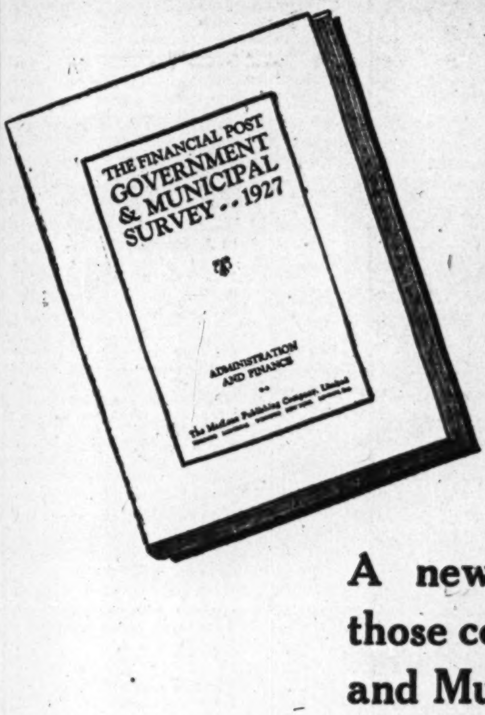


THE FINANCIAL POST GOVERNMENT & MUNICIPAL SURVEY .. 1927
ADMINISTRATION AND FINANCE

Now Ready!

The Financial Post Government & Municipal Survey

A new book prepared to serve those concerned with Government and Municipal Finance.

THE complete story of every bond-issuing municipality told for the benefit of Investment Bankers, Finance Ministers, Councillors, Institutional and large Investors.

Articles and statistical information on municipal activities — waterworks, hospitals, schools, transportation, street lighting—all those activities which are the reason for financing.

The Financial Post Government and Municipal Survey takes its place with the Survey of Mines and Survey of Corporate Securities in building a complete investment service.

Price $1.00

USE THIS COUPON

THE FINANCIAL POST,
153 University Avenue, Toronto 2.

Reserve for me................copies of the G. & M. Survey, 1927. For these I enclose one dollar per copy, making a total of $...............

Name ....

Address .... City..................

G.M.1

SAWYER-MASSEY TROUBLES ENDED IS GENERAL IDEA

Public Interested in 16,500 Common No-Par-Value Stock

THRESHER IS GOOD

Massey-Harris Enters Into Agreement to Take Over Marketing of Machine

Sawyer-Massey Company's troubles are behind it, in the opinion of those who have nursed the enterprise since new interests assumed control last summer. The only public investment interest in this company is in the 16,500 shares of no-par-value common stock held by the old company, which is functioning merely as a holding company. The other 33,500 are held by Toronto and Hamilton interests.

The reason for asserting that the company's troubles are behind it, is the agreement with Massey-Harris Co. whereby the latter takes over the marketing of the Sawyer-Massey threshing machine. Massey-Harris Co., it is said, made a most thorough investigation and decided that the Sawyer-Massey thresher was as good as any, and fit to take a place along with the agricultural implements manufactured and marketed by Massey-Harris. Massey-Harris has a world-wide sales organization, the use of which will be of great advantage to Sawyer-Massey in maintaining volume of output from the Hamilton plant.

In the meantime, Sawyer-Massey Co. is building up an excellent business in Canada for road machinery. On the presen outlook, it is anticipated that there will be an excellent volume in both branches of the business by next mid-summer, just a year after the new group assumed control.

It is probable that ultimately the public will be given an opportunity for further participation in the investment which is being so well fostered.

TOBACCO GROWING SHOWS INCREASE IN PAST YEAR

Ontario Leads With Estimated Total of 35,000,000 Pounds

Starting with the growing end of the industry, the year 1927 shows a production far in excess of all records. In fact, tobacco growing is rapidly becoming a real factor in the agricultural life of the country. Ontario leads in production, with an estimated total of 35,000,000 pounds. Quebec produced 8,000,000 pounds, and British Columbia approximately 500,000 pounds.

This is a year-end statement issued by Charles S. Sclater, of Hamilton, vice-president of Tuckett Tobacco Co. Mr. Sclater continues:

Taking the crop as a whole, it may be considered satisfactory, both as to yield and quality, the favorable weather allowing the growers to harvest and cure their tobacco to advantage.

The exportation of Canadian leaf to Great Britain has assumed considerable proportions owing to the preferential duty, and with the steady improvement in quality this market can be developed to a much greater extent and a ready sale found for Canadian-grown tobacco.

From the manufacturers' standpoint, the excise duties continue to be the main bone of contention, and strong representations have been made by the cigar and cigarette industry to the Advisory Tariff Commission for relief. Most carefully prepared briefs, covering the situation from all angles, have been submitted. The government revenues, the consumer, the stability of the industry, the elimination of smuggling have all received full consideration. It is felt that a most constructive proposal has been presented to the commission, and it is to be hoped that the government will see its way clear to accepting and acting upon the suggestions.

The dealers and retailers have experienced a fairly satisfactory year owing to the general prosperity which exists throughout Canada and which is augmented to no small degree by the greatly increased tourist traffic.

Summing up the situation, 1927 can be looked upon as a year of development, with the future holding brighter prospects for the tobacco industry as a whole than has been the case for many years past.

DULUTH-SUPERIOR MEETING

The annual meeting of Duluth-Superior Traction Co. will be held in New Haven, Ct., February 29.

High Quality of Our Feldspar

Canadian feldspar enjoys a well-merited reputation in the ceramic industries, being of high grade and of uniform potash content, analyses of samples from a number of quarries showing a potash content of about 12 per cent.

$5 will bring you The Financial Post for the next twelve months.

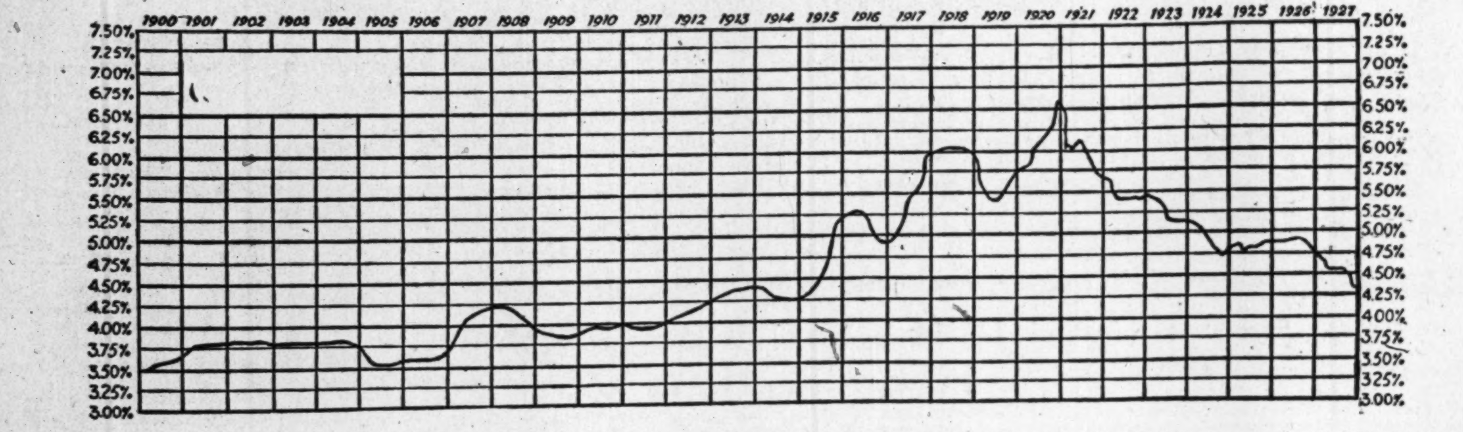
--------Use This Coupon to Subscribe--------

THE FINANCIAL POST,
143 University Avenue,
Toronto.

You may send me The Financial Post for one year (52 issues).
☐ I enclose $5.
☐ Draw on me for $5.
(Indicate method of payment).

Name ....
Occupation ....
Address ....

Trend of Interest Rates in Canada, 1900-27



The above graph indicates that interest rates upon high-grade bonds have declined to approximately the level prevailing in 1913, but are higher than in any of the previous thirteen years. (Rate as indicated by long-term Ontario bonds.)

—*Chart by courtesy of Wood, Gundy & Co.*

New Stock to Appear on Toronto Exchange

Anticipated That Pellissier's, Ltd., Common Shares Will be Called for Trading—Company Operates Brewery in Winnipeg

A new stock will appear on the Toronto Stock Exchange about Jan. 15 when, it is anticipated, Pellissier's Limited common shares will be called for trading. This company, operating a brewery in Winnipeg, recently passed into the hands of a new group, comprising chiefly Toronto and Winnipeg financiers, and an issue of preferred shares was made through Harley Milner & Company, Toronto and London. Recently the common stock has been in keen demand and an offering has been made quietly which resulted in practically all of the available stock being taken up at $13 a share.

Based upon earnings for the eight months to September 30, profits for the current year are estimated at $2.46 a share on the common stock. It is significant, however, that sales have shown an increase of 60 per cent. during the past three months over the sale for the same period a year ago and naturally earnings have shown considerable increase as well. Earning power is expected therefore to be above the figure mentioned.

A factor likely to be an important one in the company's position is the approval in Manitoba of legislation providing for the sale of beer by the glass. This is expected to give distinct impetus to the sale of the products of Pellissier's and other breweries located within the province and commanding a good share of the business offering.

Directors of Pellissier's Brewery are C. P. Pellissier, president; T. Cuthbert Anderson, Fred H. Bole, Arthur Desjardins, Bruce Richardson, Winnipeg, George E. Harley and D. Clive Betts.

Joins Burgess & Co.

JOHN J. HENRY, who has become associated with the firm of C. H. Burgess & Co., members of the Toronto Stock Exchange. Mr. Henry will have charge of their stock exchange department. Mr. Henry has been identified with the brokerage business in Toronto for over twenty years, and has been Toronto manager for Johnston & Ward for the past five years.

Toronto Mortgage Co. to Report Best Year

Loan Concern Has Shown Steady Growth With Regular, Increasing Dividends; Higher Rate May Reasonably be Expected Soon

Toronto Mortgage Co. is reported to have enjoyed the best year in its history in 1927. Likewise, 1926 was a record, so shareholders may expect, when the annual report is available shortly, to learn that earnings were substantially in advance of last year, when 14.10 per cent. was reported on the capital of $724,550. If profit on securities sold was added, the earnings on the capital totaled 16 per cent. for 1926.

The history of Toronto Mortgage Co. has been one of conservative and steady advance. Earnings have not been below 12 per cent. in any year since 1913, and for twenty years the company has closed its books with no real estate on hand through default or otherwise. In 1926, more than 99 per cent. of the company's revenue was received in cash and it is believed that 1927 was as good in this respect. This is an excellent record when it is recalled that it was achieved throughout both the war period and the post-war deflation era. It speaks well for the judgment and discretion of those who pass on the loans of the company. The company's policy is to loan on first mortgages on homes of the medium-price class in Toronto.

Dividends Are Regular

With earnings steady, dividends have been regular. The present rate on the capital stock, par value $50, is 10 per cent. plus 1 per cent. and the prevailing price for the stock is around $112. This is a yield of better than 5 per cent. An early increase in the dividend rate reasonably may be anticipated.

The company paid 8 per cent. from 1913 to 1919. In the latter year there was an extra of 1 per cent. and the two following years the regular rate was 9 per cent. In 1922 and 1923, the regular rate was 10 per cent. and in the last four years there has been a 1 per cent. extra. It is possible that the directors will declare a regular dividend of 11 per cent. per annum for the coming year, with 1 per cent. as an extra.

Massey-Harris May Add to Board of Directors

Management is Non-committal Concerning Dividend and Has Given Impression of Reluctance to Make Payments—Pressure May be Brought to Bear

Although there is no official pronouncement on the point, it is believed that there will be some changes or additions to the board of directors of Massey-Harris Co. at the next annual meeting.

Montreal interests now own substantial blocks of the common stock and it is believed that they will seek representation on the board. Frank Jones, J. W. McConnell and J. H. Gundy have been mentioned. Mr. Gundy, it will be recalled, with Thomas Bradshaw, general manager, bought the stock held by the Massey Foundation about a year ago. It was announced then that Mr. Gundy would not at that time join the directorate.

There also is questioning concerning the dividend. The management has been non-committal but has given the impression of reluctance to make payments. It is learned in usually authoritative quarters that pressure is likely to be brought to bear to bring some sort of payment on the common. The company is in good liquid position and is not faced with the necessity of placing all its earnings on common stock into reserve.

The company in the year ended November 30th, 1926, showed earnings of $9.57 on the old common stock. Since then the stock has been split four for one. It is believed that earnings for the year ended November 30th last will be equivalent to $3 the share on the present stock or $12 on the old. The report will not be available for a week or two yet. The company usually appropriates substantial sums for reserves of one kind or another before showing earnings applicable to dividends and surplus.

Empire's Chief Talc Producer

Canada is the chief talc producer within the British Empire. Talc, and talcose rocks popularly called soapstone, are found in the provinces of Ontario, Quebec, British Columbia, and Nova Scotia.

Mexican Golf Club Finds Members Honest

By a Canadian visitor to Mexico

Mexico and its government are coming in for much comment and criticism these days, because of the somewhat drastic methods employed in dealing with political opponents. Our own forefathers took their politics just as seriously, if the histories are to be believed.

At any rate, the opposition leaders who were executed knew the rules of the game when they took a hand, and fully intended to enforce the rules if they had won.

In many respects some of the qualities displayed by the people of Mexico in their daily intercourse are so admirable that to test them out in this country would be a compliment to our own people.

In one of the cities in that country they have a golf club. There is no prohibition law there and the club provides liquid refreshments of varying strengths. The club, however, has no bar man. A supply of beer and various other bottled drinks is placed in an open locker, and a list of prices is fastened to the door.

Each member may help himself, and is required to drop the price in a box with a slot. The cash is taken out once a day by the secretary, and, it is stated, that so scrupulously is this request observed, that the club actually gains by it. Members not having the right change will drop in a coin of a higher denomination. This, of course, may be an indication of excessive thirst, but a member stated that the club had never lost a centavo by this method of selling beer.

How many clubs in Canada would care to venture such a system with their members?

Other People's Views

To See For Themselves

Manitoba Free Press:—There is a good deal of sound common sense in the advice tendered by the Prince of Wales when he urged British business men to take a trip over here and see conditions for themselves, with a view to becoming interested in Canadian development. But only personal investigation and management on the ground will ensure success. There is no doubt on this side of the Atlantic that the openings for participation in Canadian development are as good for British funds as they are for American. Investment and immigration go hand in hand, and if Britain is serious in wishing to increase to a marked extent the percentage of immigrants from the Old Country, there would seem to be no better method than to create business openings here which will do their share in the absorption of them. Canada will welcome both whole-heartedly, although it is not considered, as a matter of serious concern, that their absence will either seriously retard the development of this country or involve its absorption, now or hereafter, by the American Union.

FISHERS, NETS, SURPLUS AILS SALMON TRADE

This is Conclusion of Ottawa Official After Inquiry

From Our Own Correspondent

VANCOUVER.—Purse seines and too many fishermen were two factors that interfered with the salmon industry having a good year all round in British Columbia.

That is the conclusion of W. A. Found, director of fisheries, at Ottawa, who has been carrying on an investigation of conditions in the salmon industry on the coast for several weeks.

Mr. Found says that the Dominion government will undoubtedly adopt some measure in the near future to prevent the ruthless operation of purse seine nets which have been responsible for reducing the supply of salmon in certain areas.

"There is no foundation for the belief held in some quarters that the salmon resources of British Columbia are depleted," said Mr. Found. "It is true that the catch of pinks, especially in northern waters, was not as large as usual, but that was a general condition far more noticeable in Alaska than in British Columbia. The reason why fishermen failed to make as much money this year as in some former years is not because the catch was not up to average but because there were too many men engaged. The aggregate catch was as big as ever, but the individual catch was smaller.

"Most of the larger streams are new well seeded with salmon," said Mr. Found. "There is still room for improvement, of course, and seeding will be continued."

Division of the coast into suitable areas, with a regulated maximum of gear for each area, is contemplated.

WILL SINK ON MARCLAY

A shaft is to be sunk on the Marclay Mines property in Boischatel township, Quebec. A mining plant is to be installed on the property this month on one of the copper showings uncove during the past summer. Camps have just been completed to accommodate a crew of twenty men. Surface exploration and the sinking of test pits have been carried on since last spring.

ATTENTION!

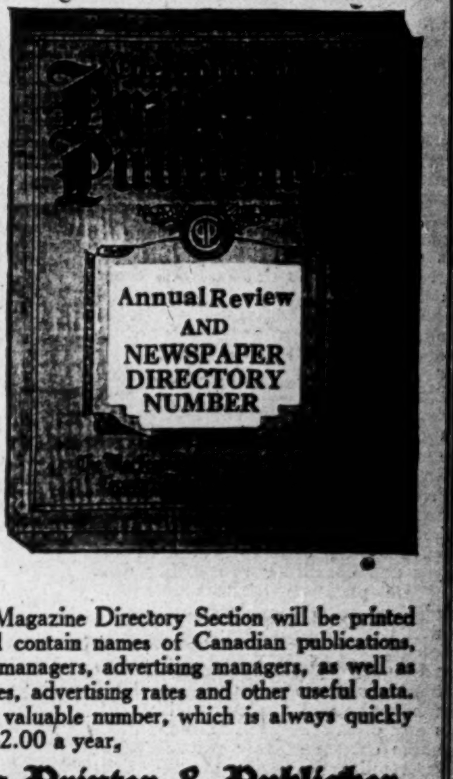
BUSINESS CONCERNS AND MERCHANTS

It has been brought to our attention that some person or persons are telephoning and visiting business concerns asking for subscriptions for the Firemen. Such people have no connection whatsoever with the Toronto Fire Department, and not one cent of such money comes to the Toronto Firemen.

The 1928 Convention of Firemen will be held in Toronto this year under the auspices of the local men, and our only official representative who may call on the business public is Mr. Geo. Perrault, who carries with him for identification, and the protection of the public, a credential signed by Presidents Herd and O'Rourke and Secretary-Treasurer Lamb.

PLEASE MAKE A NOTE OF THIS IN YOUR LEDGER

FEDERATION OF FIRE FIGHTERS
(The Firemen's Year Book)
132 Bellevue Avenue, Toronto


Annual Review AND NEWSPAPER DIRECTORY NUMBER

Member

THE Fourth Annual Review and Newspaper and Magazine Directory number of Canadian Printer & Publisher will be issued January, 1928.

In this issue the printing and allied industries will be reviewed for the past year, It will also contain authoritative business forecasts for 1928.

The Newspaper and Magazine Directory Section will be printed on special paper, and will contain names of Canadian publications, and their editors, business managers, advertising managers, as well as up-to-date circulation figures, advertising rates and other useful data. To be sure of getting this valuable number, which is always quickly sold out, subscribe now—$2.00 a year,

The Canadian Printer & Publisher
153 University Avenue, Toronto

Should Canadian Publishers Move to Buffalo, Detroit or Minneapolis?

Publications so produced would come into Canada free of all duties or sales tax and would get the full benefit of lower costs of raw materials and plant equipment prevailing in the United States. The savings effected could be used to render a greater service to Canadian readers.

In Canada

Those who make Canadian periodicals have been contributing huge sums to the costs and profits of wealthy industries which supply raw materials to publishers.

The raw materials used in Canadian periodicals are made in Canada but, because of duties and taxes imposed, they cost Canadians much more than similar materials cost foreign competitors.

These heavy added costs do not enter into the cost of producing foreign publications, which enter Canada free of duty or taxes. A train which might bring thousands of tons of foreign periodicals into Canada absolutely free of any tax on either the publication or the paper or other raw materials contained in them, might carry paper for a Canadian publisher which would be increased in cost by 25c to 35c on every dollar because of the duty and sales tax. Other raw materials are similarly free when sent in by foreign publishers as finished publications but are subject to added costs of from 20 to 27½c on every dollar if they are to be used in the manufacture of Canadian publications.

The plant equipment used by Canadian publishers, practically none of which is made in Canada, costs from 10 to 27½c on every dollar over the cost of the same equipment to foreign competitors (except newspaper presses and typesetting machines). There are from ninety to one hundred items of plant equipment and supplies which are subject to duties and sales taxes.

INFORMED Canadians who take an interest in national affairs, who know the problems of agriculture, industry and government, realize that Canadian farm journals, business newspapers and magazines have reached the place where they are equal, in value of service rendered, to publications produced anywhere.

Because of our peculiar national problems, our comparatively small population, our diversified interests and industry, Canada, if she is to progress as she should, must have a distinctively Canadian periodical literature of the highest type. We must overcome our difficulties by better citizenship and greater efficiency. These depend upon better understanding and greater knowledge which, in turn, are brought about by the dissemination of scientific and technical information, and the discussion of national problems, through such periodicals.

The publishers of Canada now stand ready to add to their contribution to the welfare of the people of Canada. They are prepared to undertake the advances necessary to the production of a periodical literature that will stamp Canada as a nation outstanding because of the intelligence of its citizens in regard to problems of government and the application of science to agriculture, business and industry. The one thing standing between the realization of this progress and the benefits which the Canadian public will derive is the greatly increased cost of raw materials and plant equipment in Canada, as compared with similar costs in other countries.

The only periodical literature read by Canadians, and which is taxed, is that printed in Canada

Foreign publications enter Canada on a completely free trade basis. Canadian publications must pay directly and indirectly heavy duties and taxes upon equipment and raw materials used in their production. The burden of taxation, which is not levied upon foreign competitors, is so great that it would pay Canadian publishers to establish plants in United States cities in order that they might use their savings thus effected to increase their usefulness to Canadian citizens.

How long do the people of Canada want this legislation to stand between them and the greater service the publishers can render—a service that will mean INCREASED EMPLOYMENT FOR CANADIANS, the expansion of a truly Canadian literature, a greater efficiency in our agriculture and industries and through these a greater prosperity for all Canadian citizens.

In the United States

Publishers of periodicals have the advantage of serving a large population, with all of the economies of great production and enormous revenues. Added to this, for good measure, they have free entry into Canada, a market in which their Canadian competitors are hampered by much greater costs because of duties and taxes.

United States publishers procure their raw materials—paper, ink, engravings, etc.,—at much less than these can be purchased by Canadian publishers. Equipment is from 10c to 27½c on every dollar cheaper in the United States than in Canada. This equipment is not made in Canada.

For every dollar spent in editorial contents and art work the United States publisher can secure a return from his advertisers based upon service to millions of readers. Canadians must purchase literary and artistic matter of equal or greater merit to serve only thousands of readers.

United States publishers have access to the records of highly efficient departments of government devoted to research which have not yet been duplicated in Canada. Canadian publishers spend large sums to secure information for Canadian readers similar to that which is secured free from the United States government by United States publishers.

The savings enjoyed on material and equipment by American publishers are so great that Canadian publishers could save hundreds of thousands of dollars per year on these items and could ship their publications into Canada duty free—huge sums that could be used to expand the service now rendered to the people of Canada.

This Serious Question Must Be Answered

The prosperity of every Canadian is affected by this problem. It is one for the people of Canada to solve through their parliament. The time to bring this matter fully to the attention of the public has arrived.

For years we have brought the matter to the attention of the various governments. Prominent Canadians, public bodies, business and labor organizations have repeatedly asked parliament for action. Nothing has been done.

In October, 1926, application was made to the Advisory Board on Tariff and Taxation for a duty upon the ADVERTISING PAGES ONLY of foreign periodicals. Labor, industry and public organizations generally joined in hearty support of this request. Every Canadian is anxious to see our periodical literature develop as it should. But certain public and parliamentary opinion seemed opposed to any adjustment which might mean an increase in the price of foreign periodicals, Other remedies were proposed.

Canadian publishers only want a square deal—an even chance in their own country to compete with foreign publications. They are ready to accept any reasonable solution of this problem. They have said to the Advisory Board on Tariff and Taxation that, if they cannot be protected, the minimum measure of relief which should be granted is the removal of their handicaps by the granting of a 99% drawback of duties and the removal of sales tax from their plant equipment and raw materials. This would place them in the same position as foreign competitors.

Canadians are now subject to the following duties and taxes not imposed upon foreign competitors:

1. **Duties ranging from 10% to 27½% on 90 to 100 items of plant equipment (newspaper presses and typesetting machines are duty free). These duties add very materially to the cost of necessary machinery and equipment.**
2. **Sales tax on all plant equipment.**
3. **Duties—25 to 35% on paper; 20% on ink; 20% on engravings, and 22½% on art work —to which are added sales taxes.**
4. **Duty of 15c. per pound, plus sales tax, on inserts imported into Canada to be inserted into Canadian publications, the same inserts entering Canada duty free when bound in United States publications.**

It is unfair to expect Canadians to pay heavy extra production costs and compete with competitors who enjoy great natural advantages and free trade into Canada without even a sales tax applied.

The amount of paper, ink, engravings and other raw materials affected by the application of a drawback of duty is only a fraction of the total production of these materials in Canada. If the drawback of duty is granted the requirements of publishers would be almost doubled through the immediate expansion of their industry and the improvement made in grade of paper used.

The manufacturers of raw materials would benefit and the publishers would be enabled to employ more Canadian writers, artists and printers.

The greater service rendered to Canadian readers would be reflected in the activities of farmers, workers and employers throughout the Dominion. A great national service for which there is a vital need, would be greatly extended.

The principle of drawback of duty, under conditions parallel to these affecting Canadian publishers, has been accepted by all Canadian governments and by Canadian industry generally.

A drawback of duty is now applied to forty-nine classes of materials now used by Canadian manufacturers who are unprotected or otherwise inadequately protected against foreign competitors. The people of Canada have a right to expect that this measure of economic justice will be extended to them through its application to raw materials and equipment entering into the production of periodicals in Canada.

The Canadian National Newspapers and Periodicals Association
Toronto, Canada

No. 1 of a series of advertisements explaining this question to the Canadian public.

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JANUARY 6, 1928 10c. a Copy; $5.00 a Year No. 1

Ten Companies Named as Likely Producers During Present Year

None of Companies Have Any Mills or Concentrators Erected or Under Construction at Present Moment

PROSPECTS ARE PROMISING

Howey, Yukon-Treadwell, McIntyre, Amulet, Abana and Aldermac Will Figure Among Outstanding Mining Operations—Industry Faces Very Active Period

Company	Camp	Daily Tonnage
Pioneer	Michipocoten	150
Howey	Red Lake	250
Bidgood	Kirkland Lake	200
Coniaurum	Porcupine	250
Yukon Treadwell	Sudbury	
Amulet	Rouyn	250
Abana	N. W. Quebec	250
Aldermac	Rouyn	500
Waite-A. McG.	Rouyn	
Crown Reserve	Boston Creek	200

The above ten companies should reach the production stage, during the present year. Unofficial figures as to the possible tonnage that they will start at, is also given.

It presents an interesting outlook for the mining industry in Ontario and Quebec.

It will be well on into the year before any of them will reach the production stage, as none of them have their mills or concentrators under construction as yet, and it will likely be spring before they will make a serious attempt to do so. This means that those which do get production under way before the end of the year, will hardly swell the year's figures to any great extent.

Increased production is to be looked for from other sources. In this list is to be included:

Company	Camp	Daily Tonnage
Central Manitoba	Manitoba	200
Barry Hollinger	Boston Creek	——
Noranda	Rouyn	500
Gold Hill	Boston Creek	100
Sylvanite	Kirkland Lake	200
Ankerite	Porcupine	300

Central Manitoba and Noranda are just keeping their plants tuned up for regular production, and they will figure largely in the totals of the present year. In addition, the year's figures will have the benefit of a full 12 months output from Sylvanite and a materially increased production from Ankerite which is now handling 225 tons, and which will increase its output soon to 300 tons, and perhaps by the end of the year to 500 tons daily. Better things may also be expected from Boston Creek's two small producers.

There is still another group that may add further to their quota of production during the year, and this list follows:

Company	Camp
McIntyre	Porcupine
Teck Hughes	Kirkland Lake
W. Hargreaves	" "
Lake Shore	" "
Tough O. B.	" "

McIntyre Mines is driving ahead on its deep development and it seems certain that the increase in mill capacity which this giant exploratory effort has been leading to, will come during the year. Teck Hughes, Wright Hargreaves and Lake Shore all seem destined to do something in the way of a higher output, and the same with Tough Oakes Burnside. This latter company has been doing much in the way of putting new ore in sight, and better things are to be expected from the mill.

Interesting Study

The list at the top presents a very interesting study. Starting to the West is Pioneer which has been developing the Minto and copper properties in Michipicoten. Some time ago, this company announced mill plans for the Minto. Then it learned something of the Jubilee break and delayed its plans. Later it was announced that they would be gone on with, but how soon action is to be expected is not known.

Howey Gold's plans should be revealed in the very near future. Before going into the question of mill plans, the company has been busying itself on the power and transportation question. It is expected that Pres. Jack Hammell will have something to say on these plans as well as the condition of the mine in the very near future. Manager Horace Young has been out from Red Lake for some time, and while no details are announced, he is believed to have brought information that shows that the property is opening up according to expectations.

Bidgood's Mill

The writer is not sure whether or not there has been official intimation given that the directors of Bidgood were giving serious consideration to the question of a mill. This is a fact. It may be the fall before any steps are taken, but it is doubtful if there will be such a delay. If the 600-ft. level opens up to expectations, then there would be justification for the company considering the question of producing at once.

Coniaurum, adjoining Hollinger and McIntyre on the east, is now receiving cheques for a bond and share issue that will provide the funds for a mill on the property and it is expected that midsummer will see a mill erected and turning over. This property has opened out well.

Yukon-Treadwell has a pilot mill on the Errington property, and it is likely that plans for a large mill and smelter will be launched this year. It is doubtful if it will get going before well into 1929.

Amulet

Amulet shareholders are expected to provide the company with $500,000 this month, which funds are designed to open up the mine and also allow for the erection of a concentrator. There is no doubt but what this will be gone on with in the early spring.

Abana has started to lay the foundations for a new power unit, and a 250-ton concentrator. This will be taken into the property during the winter, and construction will be launched in the spring.

Aldermac is controlled by Noranda and this property is in excellent position to go into production, having a substantial tonnage of ore reserves to which it is adding very fast. Noranda will likely provide this company with a concentrator this summer. The coming annual report of Noranda will likely deal with the subject.

Waite-Montgomery

Waite Montgomery property, also controlled by Noranda, is in a position that it could soon be brought into production. The Noranda meeting may be expected to throw some light on the plans for this operation also.

Crown Reserve has been battling along steadily with little noise, but it has been making decided progress. Leo Erenhous is now driving down to open some new levels, and he is quite certain that the results of this new exploratory effort will result in immediate action on a mill. There is enough ore in the mine now to justify a small mill.

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MARCH GOLD MILL LIKELY TO REOPEN

Survey of Ore Blocked Out and in Stopes Now Being Made

A survey of March Gold, Porcupine, is now being made by a competent geologist and engineer, and his report is expected by Jan. 31. This will give an estimate of the ore blocked out on the property and broken in the stopes, and the values. It is expected by the management that this will show about one year's supply for the mill, and if this proves to be the case, it is the intention to resume milling operations. It is understood that Eric McEwen has resigned as general supt. of the company.

Mineralization is Found on Ribago Property

Diamond drilling operations being carried out on the Ribago property have resulted in the striking of 35 feet of mineralization at 423 feet, including 12 inches of massive chalcopyrite and 14 stringers. It is reported that the same mineralization was encountered at 332 feet. The widest stringer at this depth was five inches. A radiore survey of the property is now being made, and a second hole dipping east has been started.

Make it a Crime to Use Mails to Defraud Public

Tipster sheets and the telephone are used by the bulk of fraudulent stock salesmen to push their wares. By the tipster sheet they hunt out the suckers and by the telephone they follow up and put over the sale.

A statute that would prevent the fraudulent use of the mails would stop these tipster sheets from circulating in Canada and go a long way in curbing the activities of the wild-cat promoter.

There is much talk of what 1928 will bring forth in the way of Blue Sky legislation. Consideration by the Federal authorities at Ottawa, of a measure that will deny the use of the mails to crooked promoters will do much to help legitimate speculation in the Dominion and keep out the fraudulent promoter.

KOOTENAY MINE AREA PROMISES AN ACTIVE YEAR

Kaslo and Ainsworth Are Both Scenes of Much Activity

PROSPECTORS WORRY

Say Engineer's Lack of Faith in Own Convictions Has Retarding Effect

From Our Own Correspondent

KASLO, B.C.—One of the features of the meeting of the Kaslo prospectors at Kaslo, B.C., one of the gateways to the Slocan, was the unanimous expression of regret that more new prospects were not being opened up. This was laid at the door of mining engineers who were accused of not having enough faith in their own convictions.

From reports brought to the meeting this and Ainsworth Section are both extremely active. What the spring will bring forth, is hard to tell but there is quite a stir on now.

Whitewater mine could not look any better. It is choked up with ore of a good grade but the management is having a little trouble with the machinery but that should soon be rectified.

The old Wellington mine has been taken over by Pulhman interests in Spokane and a company has been formed. The local people seem to believe in it as there has been a lot of stock sold locally. This is next to the Whitewater on the west side. They have 7 or 8 men getting things in shape at present to start in the spring.

A. J. Curle, who is on the Whitewater lead about 3 miles to the south east, has been busy all summer stripping a big lead that averages over 125 ft. wide carrying silver-lead-zinc and some gold. After investigating and finding out the manganese contents in this lead, he expects to mine the whole lead and the manganese should pay a profit of from $1 to $3 per ton independent of his other minerals.

The Cork Province mine has made a good strike in the main tunnel. This is away from the operations in the shaft which should put the mine on a good footing when the company gets the mill running again. This mine is South Fork of Kaslo Creek.

The Kootenay Florence is doing good work at Ainsworth and will make good.

Consolidated Smelters have a number of men at work getting ready to drive a long tunnel on their property at Ainsworth.

Another company plans to open up having had permission from the Consolidated to use the Highland Mine tunnel for that purpose.

Mr. Zwicky is going to operate the Krao near Ainsworth in the spring.

WILL OPERATE DUNCAN

Pioneer Prospectors this week concluded a deal with Toronto interest to finance the Duncan operation at Narrow Lake. Alex. Gillies has gone in to take charge of the work.

Speculators Defended by Minister of Mines

Hon. Charles McCrea Draws Attention to Fact That Canada Possesses One of World's Richest Repositories

Those who have been setting up a hue and cry about the orgy of speculation that took place in mining shares during the past few months in Canada, have been overlooking something. It has remained for Hon. Charles McCrea, Ontario's Minister of Mines, to point this out.

It may be true that there was a certain dangerous aspect to the situation, if it got entirely out of bounds, but on the other hand, this great awakening of interest in mining shares indicates a growing appreciation of the possibilities of the mining industry. Mr. McCrea puts it well when he says that in so far as this increased interest represents a new faith and confidence in the future of Ontario as a mining country, it is fully justified. His remarks on this point are worth reading:

"While some may look askance at the apparent hysteria in the buying and selling of mining stocks, it must be remembered that up to a very few years—even months—ago the complaint was that our mines and mineral resources were neglected and were crying out for capital to develop them. The sudden swing of capital to mining is the result of an awakening to the fact that we have in our north country one of the richest repositories of mineral wealth in the world. In so far as this increased interest in mining stocks represents a new faith and confidence in the future of Ontario as a mining country, it is fully justified."

MANY RUSH FOR LISTING ON 'CHANGE

Standard Exchange Receives Numerous New Applications

ACTIVE YEAR LIKELY

Speculators Seem Assured of Abundant Supply of Good News

Outlook is that the speculators will have plenty of ammunition and a host of new play-toys, to conjure with on the mining market this year. Standard Stock and Mining Exchange is being bombarded with applications to list new issues, scattered all over Ontario and Quebec fields. Companies that have hardly been heard of are making their appearance daily, and in addition, some old ones are also coming to life.

Predictions for a very active mining year seem justified. Numerous properties are being opened out and a steady flood of good news is bound to come out. Speculators are pointing to Kirkland Lake and Sudbury as being the camps that are likely to provide the leadership. There are more operations either under way or preparing for active work in these two camps than was ever the case before. In the eastern section of Kirkland Lake there have been a dozen new operations launched. Sudbury has not had quite this number as it takes a great deal more money to operate in there, but it promises to do well.

Gold Camp

Kirkland Lake is a gold camp, and while the popularity of the coppers and base metals may move up and down, the golds have always commanded a tremendous following as producers in this field have no worries over fluctuations in the price of their product.

Porcupine, on the other hand, might get a burst of attention this year, Hollinger is likely to issue a report on its Kamiskotia development. Coniaurum will likely go ahead with its mill as soon as possible, and McIntyre should be in a position to crystallize its great development programme into an increased mill tonnage.

New issues appearing in Quebec promise great things for that area, especially in Abana and Clericy sections which are detracting attention from the Rouyn area for the time being at least.

Spectacular News

Central and Northern Manitoba are not to be overlooked as areas that are going to provide much news of a spectacular nature. There are numerous gold operations in the Manitoba area that are looking well and much important work is being done. In the north it is impossible to expect that two such operations as the Flin Flon and Sherritt-Gordon can carry on for a year without providing a few sensations. In addition, the fact that some $50,000,000 is to be spent on the construction program in this section, and the bulk of it this year, is going to keep the public focused on it.

The following list contains the bulk of the new mining issues that made their appearance as on the stock exchange during 1927:

Abana, Bagamac, Cambro, Federal Kirkland, Kootenay Florence, Pawnee, Realty Mines, San Antonia, Telluride, T. Cadillac, Treadwell Yukon, Windfall.

Since the turn of the year, a half dozen new listings have been applied for.

STADACONA PLANS FURTHER DRILLING

Hole Will be Sunk at Once on Block Eight of Mine

Plans for further diamond drilling of the Stadacona property, Rouyn Township, Que., call for the sinking of a hole on Block Eight. This will be put down at an angle of 70 degrees along the diabase dyke revealed by the recent radiore survey. The work is to begin at once.

The Stadacona property lies to the south of Noranda. The radiore survey located two strong conductors, and a number of minor ones on Blocks Nos. 8 and 2. These conductors ran along a diabase dyke which is believed to be a continuation of the Noranda ore body.

The first hole sunk by the diamond drill was put down at an angle of 40 degrees. It went across a break about 200 feet wide, and encountered considerable pyrrhotite and pyrite.

The company is preparing a report detailing the comprehensive plans for diamond drilling and other work that has been mapped out for this winter. This will be sent out shortly.

Active Exploration Work at Old Keeley Workings

The most active exploration campaign in some years is being carried out on the more accessible levels of the old Keeley Mine workings. A number of promising geological areas are being explored in an effort to discover additional ore that will prolong the life of the mine.

No outstanding new discoveries have been made at Keeley since the development of the 16-28 vein system to the west. The scarcity of milling ore has resulted in a spasmodic operation of the plant.

Work on the 1,400 foot level of the Mining Corporation adjoining Keeley Mines has been discontinued. Drifting south from the Keeley boundary on what is believed to be the Woods vein failed to disclose any silver values of importance. This it was which determined the management to embark on their present exploration campaign.

Staff Man in Mining Field

[illegible]en E. Richard, formerly attached to the Montreal office of The Financial Post, has been appointed staff editor for the mining areas in Northern Ontario and Quebec.

Mr. Richard will probably make his headquarters in Haileybury but will be continuously on the move throughout the different camps, maintaining a still closer contact between the mines and readers of The Financial Post's Canadian mining news.

Mr. Richard is of Acadian ancestry, speaks French and English with equal facility, has a good background of newspaper and legal experience, and for some months past has been The Financial Post's mining correspondent in Montreal.

Daniel E. Cushing, mining editor of The Financial Post, will continue in charge of this department and will make his regular frequent visits to all mining fields in Canada.

Huge Advances Made by Mining Securities; Speculators Profit

Some Mining Stocks Advance 1,000 Per Cent. in 1927

HELPS SPECULATORS

Advance of Over 62 Points in "Nickel" Increased Valuation 100 Million

Will 1928 provide the same opportunity for speculative profit that 1927 offered. A review of the price trend of mining stocks at the beginning of the present year and a check up on the high and low for the past year, indicates that the market fairly oozed with speculative opportunities and that those who picked a fair share of the good ones, must have profited handsomely.

One hundred per cent. increase was small. There were several stocks that trebled in price, others skyrocketed. Abana for instance increased 21 times over the low of the year, while Bidgood jumped 37 times the low, but has since reacted considerably.

Not Wild Market

It was not a wild market, during the year, taking prices on the whole. The move up for the most part was steady and when what someone pleased to refer to as "the orgy of speculation" broke out in November, a great many issues had pretty well exhausted their possibilities.

Perusal of the table of mining stocks in this section which gives the figures for the year, will reveal the fact that the number of several declines were small. The silver stocks all suffered, and have continued to stay on low ground despite the fact that there has been considerable improvement in the silver market.

Break of Hollinger

One of the most discouraging declines of the year was the break of Hollinger from a high of $22.65 to $16.40 and no real explanation that would hold water has ever been advanced for the weakened position of this issue. There have been many guesses but nothing that really held water.

Quebec stocks had a very active year, Amulet providing a midsummer leadership to the market that was of a sensational nature. The issue was carried to a level that was out of proportion to the real position of the operation. The break came when the public was loaded with high priced stock and it has never recovered.

Nickel Market

Both nickel issues provided a sensational market. International in New York, Montreal and Toronto, and Mond in London. "Nickel" moved up from a low of $28 to $90.25, an advance of $61.75 or an increase in the market valuation of the operation of $103,330,463. Mond Nickel last May was selling around 38 shillings and the last quotation available shows it to be selling above 140 shillings. Mond has quite a few issues, debentures and preferreds standing ahead of its ordinary shares.

Sudbury Basin Mines and Bunker Hill Sullivan and other interests centred in Sudbury had sensational advances. Kirkland Lake Gold and Beaver did well by their backers, as did also Teck Hughes. Some of the important price changes of the year are indicated below:

Stock	1927 Low	1927 High	Present Level
Abana	.20	4.30	3.70
Amulet	.85	7.10	4.90
Area	.23	1.95	.30
Barry H.	.25	1.50	1.15
Beaver	.59	2.75	2.25
Bidgood	.05	1.85	1.40
Bunker Hill	75.00	160.00	....
C. Lorrain	.10	.72	.19
Cent. Man.	1.07	2.30	1.90
Coast C.	.09¾	.43¼	.38
Coniaurum	2.80	5.78	5.50
C. Reserve	.39	.80	.68
Dome	14.50	6.75	12.50
Hollinger	16.50	22.50	18.00
Howey	.42	1.75	1.60
I. Nickel	28.00	90.25	85.00
Keeley	.70	1.66	.69
K. Gold	.82	3.06	2.65
L. Shore	15.00	28.00	27.50
McDougall	.24	.90	.52
Millcrest	.05	.15	.13
Noranda	20.00	28.50	23.50
Ribago	.13	.87	.22
S. Bain	4.00	11.75	14.50
T. Hughes	5.25	12.00	10.50
Vipond	.47	1.75	.84
Vickers	.52	1.52	.78

$400,000 to be Spent on Baker-Patten Zinc

An expenditure of up to $400,000 is to be spent this winter on preliminary development work on the Baker-Patten zinc-copper claims near the Flin-Flon in Northern Manitoba, and the Smith-McDonald claims at Cold Lake.

The plans of the interests who are developing these two properties call for the sinking of two shafts on the Baker-Patten property and a campaign of diamond drilling. The equipment to be installed will be oil burning, and 50,000 gallons of oil will be shipped in from mileage 55 on the Hudson Bay Railway.

A preliminary survey will be made of the Smith-McDonald claims.

Hedley Gold Mines in B.C. Shuts Down for Winter

Hedley Gold Mines, operating what was for many years British Columbia's premier gold producer, has shut down its plant at Hedley for the winter. High winter costs dictate this policy of conserving the company's assets, as the margin of profit has been quite small of late years. During the war production was pushed and development neglected and the mine is now paying the price for this. A large amount of new exploration has been done but no important tonnage of good ore was added to the reserve. Up to the end of October 38,450 tons of arsenical gold ore was mined and milled. The bulk of the gold was recovered by cyaniding and the arsenical concentrate was shipped to the Tacoma smelter.

MAY DRILL NIGHT HAWK

Diamond drilling may be resumed on Night Hawk Peninsular Mines property, according to current report. Development had reached a depth of 600 feet, and considerable work had been done on the upper levels when the mines closed down. This was due to lack of finances to carry out necessary power changes.

Mining Industry Leads Canadian Rail Freight

C. P. R. President Makes Interesting and Telling Reference to Industry of Dominion in His Annual Review of Business Conditions

President E. W. Beatty, of the C.P.R., made some interesting and telling references to the mining industry of Canada in his annual review of business conditions.

One pointed statement was the fact that products of mines and minerals during some eight or nine months of the year led in the production of freight for Canadian railways. It has been stated on numerous occasions that the railways of United States drew 60% of their tonnage from mining and its allied industries, but this is the first time that the Canadian situation has been so clearly set forth.

Mr. Beatty sees big things for Canada from this development. His remarks made interesting reading.

"According to a recently published monthly return of the Dominion Bureau of Statistics, mining and its allied industries have, during eight of the first nine months of the year, led in the production of railway freight. This somewhat startling fact opens up a vista of possibilities fascinating in scope. It is clearly apparent that the industry is still in its infancy, and that the extent of the natural resources upon which it is based is even now only partly understood. But enough is apparent to have gained the outspoken admiration of the World Convention of Mining Engineers, who went across the country last summer. If future development along this line nearly approaches its promise, the result will mean a largely increased home market for our farm produce and general manufactures, as well as a greatly broadened market for labor, providing more scope for our own Canadian youth, and possibly attracting to Canada a desirable class of labor, other than agricultural, to assist in the upbuilding of the country."

Control of Brokers is Latest Proposal to Prevent Frauds

Satisfactory Supervision of Brokerage Houses is Becoming Necessary

TO PROTECT PUBLIC

Same Methods Might be Used as in Force For Insurance Companies

As the year opens many suggestions as to what should happen and what ought to happen to control stock and security selling, are being freely made. In this regard it is believed that many are trying to anticipate action by the Ontario legislature. They believe that the activities of the attorney-general's department against a number of mining brokerage houses is bound to result in remedial legislation.

The general guess is for blue sky legislation, but the best opinion is that the Ferguson ministers are [illegible] confident that a measure can be framed that will be effective in meeting the peculiar needs of the day and that what is more likely to happen is some measure of supervision or inspection of brokerage houses, the same as insurance, trust and loan companies.

Drury Measure

Ontario has a blue sky measure placed on the statutes by the Drury Government. It was considered to have all the good qualities and as few of the weak ones as possible of all the blue sky enactments of the United States. Proclamation which would make it operative, was [illegible] to the Ferguson government. It was never proclaimed and the understanding was that it did not meet the peculiar needs that exist in the province to-day.

Manitoba has experimented with control of the sale of securities with rather painful results.

N. Y. Measures

New York has spent a lot of time figuring out blue sky legislation and its present day law, The Martin Act, is considered by many to be as near the idea as it is possible to get. Yet under the Martin Act George Graham Rice, notorious pusher of fraudulent stocks, has run wild. His paper, Wall Street Iconoclast, which hoodwinked many Canadians, has been halted by court injunction and while this dispute is being settled, Rice, to lose no time, has launched Wall Street Daily Financial News. It carries quotations from Boston Curb [illegible] Rice's pet promotions.

Thus it is seen that what appears to be the best of the Blue Sky laws can only temporarily embarrass and not halt the wild cat promoter who has sufficient funds and legal backing, to fight back.

Martin Act

That there is a doubt as to the strength of even the Martin Act, is to be gathered from the remarks of Judge Delchanty, New York, in continuing the injunction against Rice when in discussing the act as well as the facts of the case, he said:

"There can hardly be any question upon the papers submitted that the defendant Rice had violated the provisions of such act. Having committed a violation of such act, it is the duty not only of the Attorney General to apply for an injunction from further commission of such fraudulent practices or transactions, but of the Court to grant such an injunction. The purpose of such act is not to restrain the defendant from committing fraudulent acts or transactions in reference to any particular transaction, but the statute is broader and seeks to prevent him from further carrying on his business in such fraudulent manner if he has at any time theretofore committed a violation of such act. It makes no difference that the defendant Rice claims that he is not dealing now in the certain stock which formed the basis for the claim in this action, and that he has discontinued such practices, and that therefore, as he claims, the question is academic. This act was passed for the protection of the public, and as soon as a violation thereof has happened an injunction should issue to prevent the repetition of such violation."

HARVEY KIRKLAND MINE

Harvey Kirkland Mines is arranging for new funds with a view to renewing operations and sinking the shaft from 400 to 1,000 feet. Extensive lateral work will be undertaken at that point. This is another Kirkland Lake operation which promises to come back.

Sudbury Basin Operation Very Much in Limelight

Sudbury Basin Mine shares are in heavy demand with stock scarce, hence the steady rise in price, the latest high mark being $14.50. Rumors of good diamond drill results are a factor. The company is in a very strong position and has extensive holdings and interests that are much to the front.

ELDORADO'S CASH POSITION STRONG; PUSH OPERATIONS

Shareholders Well Pleased With Situation—Property Looking Well

Eldorado Mines shareholders got some good news from Manager Gilbert Lahine, when they met at the end of the year to discuss the annual report. The manager reported that the property was looking extremely well. The shaft has reached the 250-ft. level. At the 125-ft. it was found that the vein which had measured around 4 ft. on surface, had widened to five feet of $15 ore. Where cut on the 250-ft. level, it was opened up for seven feet and values ran $17.10. Sinking to 500 ft. is proceeding. The company, he said, had 38 men employed and it is the intention to increase the size of the staff immediately.

The financial report was particularly encouraging, showing that the company's finances are in a strong position. Cash on hand totaled $77,895 on Nov. 30, but it is understood to have been substantially increased since then. Bonds at cost total $99,375 with a present market value of over $99,375. Accounts owing, total $17,448.

Eldorado Mines is capitalized at $3,000,000 and there are issued 2,106,198 dollar shares and 893,802 remain in the treasury.

SAN ANTONIO MINE LOOKS MUCH BETTER

Blind Vein Found on 300-ft. Level Gives Good Gold Values

WINNIPEG.—San Antonio Mines is looking much better underground and it has been decided to sink the shaft to 600 ft. A new plant capable of going to 1,000 ft. will be installed.

Mgr. A. J. Keast, says the most interesting discovery made has been on No. 3 level where a vein that did not outcrop on surface was cut and shows so far 30 ft. of commercial ore 4 ft. wide.

The veins which showed on the surface have also been proved at depth so far as the shaft has been sunk and have steadily improved in grade and width.

Mr. Keast said that the whole San Antonio presented an interesting geological formation and the work now being done it was hoped would lead to the key which would unlock the geological formation.

An idea of the work being carried out may be obtained by the fact that at the present time the San Antonio have 70 men working for them, about half of which are teamsters and wood cutters. The present steam hoist at the shaft No. 2 is being enlarged, and this will permit of faster underground operation, as it will release a considerable portion of the plant for air pressure needed to operate the drills.

It will then be possible to conduct between 400 and 500 feet of lateral work underground each month, and this will soon tell the story as to whether the San Antonio is to develop into a real mine.

Flin Flon to be Linked Up With Hudson Bay Railway

Flin Flon Mines will be linked up with the Hudson Bay Railway before the end of the winter. The cutting of the fifty mile right of way has been commenced, and all kinds of track material are now on the ground and the work of construction is progressing favorably. It is expected that the line will be completed to Cranberry Portgage before the winter is over, according to H. A. Dixon, of Canadian National Railways department. The work is being carried out by H. Tomlinson and H. McLean, railway construction contractors.

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QUEBEC DEMAND FOR ELECTRICAL SURVEYS HEAVY

Radiore Company Says Clients Are Apparently Satisfied With Results

DEFEND METHOD

Head of Company Questions Soundness of Recent Criticism of Efforts

"We stand by the results of our efforts to date. All our clients are well satisfied and we believe that the large number of new contracts we aro making are an evidence of the satisfactory service we have given others," said Mr. Swanson, one of the Radiore officials, in discussing electrical surveys in North-western Quebec.

Have you found any ore bodies? he was asked.

"No," was the prompt answer. "We have found large bodies of sulphides that have been proven. The reason we have not found an ore body is that we have not been put over one. You know they are few and far between." He did point out, however, that on Abana they established the continuity of the ore body and this has since been proven by underground development.

Windfall interests are quite tickled with the survey of their property. The map showing the indications on this property is reproduced to show just what the map looks like when completed.

Discussing the MacGregor criticism of electrical prospecting, Mr. Guilford, of the Radiore Co., says:

"Geophysical exploration for ores is a subject which is becoming increasingly important to the mining world and one which is engaging the attention of all mining engineers and others who are earnestly engaged in the development of mines.

"Electrical exploration which is one form of geophysical exploration has become increasingly important in the past few years and there are several electrical exploration companies who are offering their services to the mining world.

Should Have Training

"In a recent article in the 'Canadian Mining Journal,' a Mr. MacGregor attempted to review the past of electrical exploration in Eastern Canada from the viewpoint of a general criticism of the various methods applied, and the results obtained therefrom. In making an attempt to critically review electrical prospecting, it should be required, of course, that the reviewer should have had a sufficient training in the art or in the physics connected with the art to intelligently understand the principles involved and it should be expected further that the reviewer should have had a broad experience with all methods of electrical prospecting if he is to intelligently compare the results of the various methods and further to comment on the value of electrical prospecting to the mining world.

"Mr. MacGregor, we assume to have had the above-mentioned training and experience, as he has so willingly accepted the role of reviewer for this subject and it is interesting to compare his deductions with those of a very well-known physicist, of broad experience, Dr. Max Mason, president of the University of Chicago, who recently published an article referring especially to electrical methods of prospecting, in the Engineering and Mining Journal of November 12 and 19, 1927. We refer to his articles in the above magazine entitled, 'Geophysical Exploration for Ores.' This article represents the views of an unbiased physicist whose name bears considerable weight, after he had investigated all methods of electrical prospecting over a period of several years.

"Dr. Mason found from his investigations that electrical prospecting methods could be divided into three classes, self-potential methods, equipotential methods and inductive methods of electrical prospecting. From the results of his long and unbiased investigations, he reported in the above-mentioned article in comparing the three classes of electrical prospecting:

"'The inductive method is thus better able to distinguish between the enormous conductivity differences in ores and cover and the far lesser variations occurring in barren land.'

"This deduction is at variance with Mr. MacGregor's report, who found from the result of his investigations that equi-potential methods were the most to be desired. It is assumed, again of course, that Mr. MacGregor must have had experience with all three methods in order to have intelligently compared their differences.

Several Years' Study

"Dr. Mason, in speaking of inductive methods, using the vertical loop on page 808 of the Engineering and Mining Journal of November 19, 1927, states: 'This form of the inductive method has proven especially valuable.' The Radiore Process is an inductive method of electrical prospecting and uses the vertical loop to create its primary field.

"In summing up his findings from the result of several years' investigation with all types of electrical methods of prospecting Dr. Mason states: 'No physical method detects ore, but only some physical characteristics, usually, but not exclusively associated with ore.' Electrical prospecting methods depend upon the electrical characteristics of the ore being sought.

"Dr. Mason further states: 'Although physical exploration for ores is a scientific development which can claim only a short history, its economic value has already been demonstrated in many areas. The present accomplishments and technique in this field warrant serious consideration by mining men in laying any sound policy and program of ore prospecting. When conservatively and intelligently applied, in regions suited to their nature, I believe that physical prospecting methods will amply repay investments.'

"This, then, is the finding of a physicist who is of sufficient experience and reputation to be the president of Chicago University and his words bear weight and are entitled to the consideration of all thinking mining men.

"The Radiore Company does not desire to enter into a controversy with Mr. MacGregor, but they do desire to point out that Mr. MacGregor in reviewing and criticizing electrical prospecting methods in Canada has not been in intimate contact with the Radiore process to their certain knowledge."

Half U.S. Mineral Dividends Derived from Foreign Mines

A United States tabulation compiled on mining dividends of $34,512,000 for December makes Canada's total of around $23,000,000 for 1927 look rather sick until the figures are closely scrutinized. It is pointed out in the total that about $3,500,000 of this was paid by companies in other countries, mostly Canada, but the list given as United States companies includes International Nickel and United States Steel. In the same tabulation are United States operators in Mexico, another in Peru. Federal Mining, which has a big income from British Columbia, and others. Dropping Nickel, United States Steel and the others that are strictly outside the United States leaves a total of $17,400,000. But the fact remains that people in the United States draw down a goodly portion of the other $17,100,000.

MINING STOCK QUOTATIONS
Week Ending January 3

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close Jan 3.	Sales for wk.	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low
Abana	1	....	....	4.05	3.50	3.85	64010	....	....	4.30	.20
Aconda	1	....	....	34	29½	34	187350	....	....	45	14½
Afton	1	....	....	1.32	1.25	1.32	900	....	....	1.30	1.00
Algonquin	1	....	....	3	2¾	3	87200	6¼	1½	5½	2
Allied M.	.	....	....	....	....	....	....	....	....	5.51	2.70
Amity C.	.	....	....	37	35	37	47300	....	....	50	24½
Amperites	.	....	....	1.25	1.15	1.23	8050	....	....	....	....
Amulet	1	....	....	5.00	4.70	5.00	50133	2.98	.90	7.10	.85
Apex	1	....	....	8¼	8¼	8½	37350	6	2¼	10	1
Area	1	....	....	.32	.30	.31½	41250	1.55	.21	1.95	.23
Argo. Con.	1	....	....	34	32	32½	162480	76	18½	59	25
Archean	.	....	....	....	....	....	....	....	....	18	17
Atlas	1	....	....	4¾	4½	4½	42900	....	....	7	2
Bagamac	.	....	....	12	12	12	600	....	....	19	6
Bedford	.	....	....	47	40	40	25700	....	....	52	19
Baldwin	1	....	....	3½	3	3	44100	6¼	1	5½	1
B.C. Develop	.	....	....	1.35	1.25	1.35	5055	....	....	1.32	1.12
Barry Holl.	1	....	....	1.18	1.10	1.13	105587	1.00	.21	1.50	.25
Beaver	1	....	....	2.28	2.19	2.23	24850	.99	.51	2.75	.59½
Bellellen L.	1	....	....	....	....	....	....	....	....	23½	3
Bidgood	1	....	....	1.60	1.42	1.44	196375	.9½	.4½	1.83	.5
Boischatel	None	....	....	5	4	5	30100	....	....	27	3
Bourlamaque	1	....	....	....	....	....	....	1.45	1.02	1.53	.50
Buckingham	1	....	....	6½	5	6½	38700	7¼	2	9½	3
Bunker Hill	10	....	....	....	....	....	....	....	....	160	75¼
Cambro	.	....	....	57	55	55	3500	....	....	58	55
Can. Lorraine	1	....	....	19	16	16	1000	93	57	72	10
Capitol S.	1	....	....	20	16½	16½	5700	48½	24	34	14
Capitol R.	1	....	....	17	16	16¼	216750	43	26	54½	10
Castle Tre.	1	....	....	.77	.75	.75	14450	1.85	.91	1.27	.61
Cen. Man'ba	1	....	....	1.96	1.89	1.93	23585	....	....	2.30	1.07
Chaput H.	1	....	....	20	15	15¼	286900	22	3⅛	20	4⅜
Clifton	1	....	....	....	....	....	....	6½	1	3½	½
Coast Copper	5	....	....	39.50	31.00	38.00	10185	....	....	43.25	9.75
Col. Kirk.	1	....	....	9½	6¾	8¼	219400	6¼	2	16	1½
Clericy	.	....	....	31½	31	31	6500	....	....	31½	31
Coniagas	5	....	....	4.85	4.70	4.80	2305	4.85	3.00	5.05	3.20
Coniaurum	5	....	....	5.40	5.00	5.00	874	4.60	3.00	5.78	2.80
Cons. Smelter	25	10+10	7.45	268	256	256	1518	265	177¼	274½	215
C. W. Dome	1	....	....	....	....	....	....	29½	14	19	4
Copper Hill	1	....	....	51	45	45	7450	....	....	68	36
Corona	1	....	....	16	12	14	114450	37½	20	37	10
Crown Res.	1	....	....	69½	66	68	62649	....	....	80	39
Davidson	1	....	....	....	....	....	....	3	1½	3	1
Destor	1	....	....	....	....	....	....	41	40	43	20
Dome Mines	None	$1	7.70	13.25	12.80	13.00	1270	20.00	8.00	14.60	6.85
Dom. Lead.	.	....	....	....	....	....	....	....	....	1.73	1.05
Dom. Kirk.	1	....	....	6¾	5	5¼	29000	....	....	12	1½
Don. Rouyn	1	....	....	22	18	20	11300	61	25	56½	17½
Dubec	1	....	....	.53	.51	.51	1600	....	....	1.48	.85
Duprat	1	....	....	11½	10	10	76600	....	....	21	9¾
Dupuy	1	....	....	....	....	....	....	....	....	79½	9
Everett	1	....	....	3	3	3	7500	12¼	3¼	5½	1¼
Federal Kirk.	1	....	....	76	75	75	48000	....	....	78	40
Fiske	1	....	....	11	10	10	200	....	....	30½	5
Fisher, Que.	1	....	....	....	....	....	....	....	....	2.20	.50
Gifford	1	....	....	....	....	....	....	....	....	1¼	¾
Gladstone	10	....	....	....	....	....	....	....	....	29	4
Goldale	1	....	....	43	40½	40½	36696	43	24	51½	20
Gold Hill	1	....	....	38½	34½	36½	123450	73¼	25	54	22
Gold Ore	1	....	....	....	....	....	....	....	....	2.45	.50
Gold Reef	1	....	....	1¼	1¼	1¼	7000	5	1	2½	½
Granada R.	.	....	....	37	34	34½	215925	....	....	41	14½
Grover Daley	1	....	....	15	13	15	36850	32	18	37	8
Harvie Exp.	None	....	....	.80	.60	.80	8860	....	....	2.40	.50
Hillcrest c.	100	6	10.00	....	....	....	....	65	55	65	50
Hillcrest, p.	100	7	8.23	....	....	....	....	83	79½	90	81¼
Hilltop	1	....	....	20	19	20	18100	31¼	20	25	6½
Hollinger	5	26	7.20	18.35	17.95	18.05	7377	21.00	16.75	22.65	16.40
Howey Gold	1	....	....	1.65	1.50	1.60	148634	....	....	1.75	.42
Indian	1	....	....	6	6	6	5000	14½	2¼	12	4
Int. Nickel.	25	$2	2.33	87	83½	85½	48783	46	32¼	90¼	28
Jackson M.	1	....	....	86	82½	84	107575	....	....	86	36
Jay Copper	.	....	....	....	....	....	....	1.10	.78	1.26	.30
Keeley	1	16	23.17	.75	.69	.69	11400	1.91	1.39	1.66	.69
Keora M.	1	....	....	5	5	5	2200	22	11	13½	2
Kirk. G.B.	1	....	....	....	....	....	....	....	....	1.29	.75
Kirk. Hunt.	1	....	....	26¼	23	25½	34025	34	8½	35½	10
Kirk. Lake.	1	....	....	2.75	2.64	2.69	105670	1.44	.69	3.06	.82
Koot. Flor.	20c	....	....	31	28½	28½	100500	....	....	31	22
Lebel Oro	1	....	....	60½	58	58	23100	....	....	66	30
La Rose	1	....	....	....	....	....	....	39	4	12	3
Lake Shore.	1	40+10	1.81	27.50	26.95	27.50	4080	16.50	9.50	28.20	15.04
Lakeside L.	1	....	....	....	....	....	....	10	1⅛	6	½
Laurier	None	....	....	....	....	....	....	....	....	65	45
Laval	1	....	....	25¼	22	24	98250	45¼	21	59	19½
Lorrain C.	1	....	....	1	1	1	200	15	2	3¼	1
Lorrain T.L.	1	....	....	....	....	....	....	1.10	.30	.86	.52
Macassa	1	....	....	52	49	51	60203	43	22	69	18
Malartic	.	....	....	83	70	81	230040	....	....	78	23½
Marclay	1	....	....	....	....	....	....	35	20	42	34½
Marriott	1	....	....	41	39	40	4200	....	....	45	35
McDougall.	1	....	....	56	52	54	40100	....	....	90	24
McKinley	1	....	....	20	19	19	29100	16	8½	25½	11
McIntyre	5	20	3.60	27.75	27.00	27.75	2375	29.75	22.70	29.00	24.00
Mentor	10	....	....	....	....	....	....	....	....	14.00	12.00
Millcrest	1	....	....	15	10	10½	157350	21½	3½	15	2
Mining Corp.	5	25c.	....	3.95	3.80	3.90	17525	4.45	2.60	5.05	2.90
Moneta	1	....	....	12	12	12	1000	18	11	15½	8¾
Montreal R.	1	....	....	12	12	12	200	60	13	33	10
Newbec	1	....	....	.68	.65	.66	26650	....	....	1.20	.62½
Newray	1	....	....	....	....	....	....	45	31	50	28
Night Hawk	1	....	....	10	7½	9	130120	17	3¼	10½	4
Nipissing	5	6	5.40	6.15	5.50	5.55	7755	9.25	4.95	10.30	5.25
Noranda	None	....	....	24.15	23.50	23.50	14452	24.75	12.00	28.50	19.95
Ophir	1	....	....	2½	2½	2½	3000	4¼	½	4⅝	¾
Osisko	.	....	....	.50	.45	.50	6500	1.94	1.05	1.75	.35
Pawnee Kirk.	1	....	....	78	69	78	67200	....	....	78	54
P. L. Cobalt	1	....	....	7	6¼	6½	20000	32	14½	18	2
Porc. Crown	1	....	....	7	6	7	30700	12	4	11	3
Pioneer	1	....	....	.62	.59	.60	37150	1.22	.66	1.18	.45
Potter Doal	None	....	....	20¼	17½	18	77850	....	....	65	10½
Premier Gold	1	32	13.67	2.31	2.30	2.30	3100	2.75	1.83	2.50	1.86
Preston	1	....	....	4⅞	4⅞	4⅞	6000	9⅞	4	7	3
Realty & Mines		....	....	18	17	17	6000	....	....	38	15
Ribago	1	....	....	27¾	24	24½	196600	....	....	87	13
Rouyn	1	....	....	....	....	....	....	9	1⅛	5	1
Rouyn Gold	1	....	....	....	....	....	....	....	....	4	2½
Rouyn Que.	1	....	....	....	....	....	....	4½	1½	4⅜	1
Rubec	1	....	....	1.00	.75	.75	3700	....	....	3.65	.80
San Antonio	.	....	....	52	50	52	166290	....	....	57	30
Silver Leaf.	.	....	....	....	....	....	....	....	....	1¼	1
Siscoe	1	....	....	25	24	24	1500	....	....	60	12
South Keora	1	....	....	18½	17¾	17¾	7700	35½	5	64½	4½
Stadacona	None	....	....	21½	18	20½	77675	51	40	55	13
St. Anthony	1	....	....	43	42	42	14000	....	....	50	16
Sud. Basin	1	....	....	12.50	11.25	12.45	17845	....	....	11.85	4.00
Sylvanite	1	....	....	3.95	3.80	3.90	2450	....	....	4.80	2.60
Telluride	.	....	....	....	....	....	....	....	....	38	35
Teck Hughes	1	10+5	....	10.80	10.20	10.65	40900	5.55	2.64	12.00	5.27
Thomp. Krist	1	....	....	....	....	....	....	3½	1	2	½
Tough Oakes	1	....	....	79	69	75½	231880	66	36	82	25
Towagmac	1	....	....	4.05	3.70	3.90	14410	6.10	3.15	5.75	2.85
Thom. Cad'c.	.	....	....	....	....	....	....	....	....	50	38
Timiskaming	1	....	....	12	12	12	2500	15¼	6	12	4
Treadwell Y.	1	....	....	26.50	25.75	26.00	12545	....	....	26.75	18.50
Vic. Silver	1	....	....	....	....	....	....	96	3⅛	14	1½
Vickers	1	....	....	.80	.70	.80	2900	1.22	.13	1.52	.25
Vipond	1	....	....	.85	.70	.84½	37180	2.02	1.49	1.75	.47
Wakenda	1	....	....	12½	10	11	25500	3¼	1	16	1
Wasapika	1	....	....	....	....	....	....	4	1	2	1
West D. Lake	1	....	....	17½	13	15	257933	....	....	20	8
West Tree	1	....	....	....	....	....	....	....	....	4½	1
Wettlaufer	1	....	....	....	....	....	....	10	1	4¼	1½
Wiltsey C.	1	....	....	56	55¼	56	6000	....	....	74	50
Wright Har.	None	20c.	3.26	6.40	6.10	6.12	7717	....	....	8.45	5.50
Windfall R.	.	....	....	28	24½	24½	31050	....	....	31	19¾

Electric Surveys Value Questioned by Geologist

Says No Ore Bodies Have Been Found in Quebec and That $700,000—Cost to Date—Has Been Wasted

"While we have seen that the method can locate conductors and has actually located hundreds in the Rouyn area, it has not discovered a single ore body to date, and we definitely know of several bodies that have been missed."

The above might be termed a summing up by James G. MacGregor, manager of Amulet property in Rouyn and one of the geologists who worked out the solution of the ore problems on that property, in regard to the success of electrical prospecting in Rouyn. Mr. MacGregor says he expects a storm following his review, but says that what he writes is from the impartial viewpoint of an operator. His conclusions in the second last paragraph of the article are:

"Electrical prospecting in Northern Quebec has not been a success. Individual examples are known of metallic conductors having been found by the method, but the number of blank holes in proportion has been disappointing. In proportion to the vast amount of money spent on the system the results obtained have not been very impressive. The future therefore lies with the prospector and the intelligent exploration of a property must still be influenced by sound geological work. Electrical prospecting has a great future ahead, but as things stand the method is still in its youthful experimental stages."

Still Has Chance

Regarding ground that has been passed over, he says, "We are thrown back on the fact that the method is not infallible; that ground they have passed over still possesses possibilities and that their statement that they can definitely eliminate worthless ground is not founded on fact."

He adds:

With the facts as they stand, every acre of ground they have turned down in the Rouyn area still possesses possibilities, and without doubt, as time goes on, with further intelligent exploration work some of this ground will yet yield commercial orebodies.

Against the fact that hundreds of conductors, but no orebodies, have been found by the use of electrical prospecting with the expenditure of an enormous sum of money, it should be remembered that the Horne was discovered for the price of a grub-stake; that the Waite was stumbled across by a wandering prospector; that the Amulet was discovered by chance in cutting a trail into another property, and that the main Alderson-MacKay body was found for the price of a dip-needle.

It is therefore an established fact that this highly scientific method of ore-finding cannot stand comparison with the old time methods of the prospector followed by systematic geological work. It is true the geophysical methods can locate conductors, and it is quite possible that within the next few months one of the hundreds of indications may turn to be an orebody. This, however, would not detract from the value of the previous statements. The Horne, Waite, Amulet and Abana were found by luck, more or less, and it would be strange if the electrical people did not stumble across an orebody of similar importance after the thousands of feet of drilling that have been carried out under their direction and after hundreds of miles of cross-section lines had been traversed in the course of the surveys. Even if they did discover one orebody directly through geophysical methods, the measure of success would still be very small; but it would provide advertising ammunition which would be used all the world over for years to come and would undoubtedly lead to a still further outpouring of money on an experimental method that is in its embryo stage.

Cost $700,000 To Date

Mr. MacGregor estimates that electrical prospecting in Quebec has cost around $700,000, which sum includes overhead incurred in directing operations and necessary diamond drilling following the surveys, and he adds:

For this vast sum of money, it is true that hundreds of conductors have been found, but not a single orebody. The writer is personally aware of several orebodies of large dimensions that were discovered after the survey had been carried out.

One of the strong points made by Mr. MacGregor and which gives speculators in mine shares food for thought has to do with the orgy of speculation which resulted from the survey on Area. The article says:

Several of the "super-indications" recorded on the Area Mines last year were of this type. One such conductor was over two hundred feet long and sixty feed in width. After being thoroughly drilled this was found to consist of a thin sheet of pyrrhotite, in places only one eighth of an inch in thickness, yet continuous throughout and forming a perfect conductor. This innocent conductor was later destined to create one of the most hectic and sensational markets seen on the Standard Mining Exchange.

The Financial Post is not conversant with the claims which the electrical survey operator made for his survey on the Area group, but it was the opinion of those with the best interests of mining at heart, that the letting of this information escape to create such a market was a serious blunder. The information must have come from some official of Area Mines. It is very doubtful if officials of the Swedish American Co. revealed it. And the conclusion at the time was that there was more interest in the market than there was in the mine.

Criticize Misinterpretation

The writer has had a number of communications with the electrical survey people in regard to their work. One company in particular has been quite critical of concerns misinterpreting their reports and putting a construction upon them that was not justified.

It may be that the companies have been making one case to the operators and one to the public. This is doubtful, but letters which The Financial Post has received from at least one company leaves the impression that they are not all making the positive claim for their effort that Mr. MacGregor attributes when he says:

"In the first place it should be noted that the various electric companies claim much for the efficiency of their respective method. Electrical prospecting for the location of sulphide bodies is to them an established practice. Preliminary experimental work has been completed, undesirable features eliminated and the electrical surveyors claim to be in a position to sell the mining public a commercial process whereby orebodies can be located to a depth of five hundred feet. Presumably if no orebody exists, their survey will return negative results, and thus useless barren ground on mining properties will be eliminated."

And again—

"In selling their process the electrical people always pursue the same line of attack. They impress the public with the fact that they can locate conductors within the earth's surface, that the sulphide orebodies are conductors and that it is an exceedingly simple matter to locate them. No mention is made of the hundreds of conductors that do not represent orebodies—not even sulphide bodies. Once the survey has been completed the operator is given a most interesting looking plan with an amazing number of markings representing "conductors" of varying degrees of intensity. He must not assume, however, that the strongest reaction represents the closest indication of an ore-conductor; the weakest reaction may be the most important if it represents an orebody lying at considerable depth. The operator must therefore proceed to drill each and every conductor systematically, etc."

Proper Education

Radiore Company in writing to The Post in November stated that it was devoting a large portion of its time to proper education of the mining world as to the limitations of electrical surveying as well as to its possibilities. The letter added:

"There is a great danger that the primary function of the process will be overlooked, namely that of locating the mineralized zones. The Radiore process cannot do more than this. Some mining companies who perhaps are handicapped by not having the best of mining talent are prone to look upon indications obtained as certain guarantees that ore will be found therein, or that large bodies of mineral will be found to be present. If they are disappointed in their expectations, to which their great desires are father to the thought, there is naturally a severe reaction.

"We are urging that a very careful study of our electrical maps be made and that before intensive development work is done that the structural geology of the property be pieced in, using the electrical survey as a basis. If such a study is made, certain of the indications will be selected as being the most promising of development. Such a study is exactly what the best consulting engineers are making who are connected with mining companies for whom we are conducting electrical surveys.

"The man who blindly drills the first Radiore indication without any study of the situation, in most cases, is doomed to disappointment. He will undoubtedly find mineralization if he drills or otherwise develops the property, but since he is looking for commercial ore mineralization, he should carefully study the situation before attacking it."

Premier Paymaster Merges With United Mineral Lands

Premier Paymaster Mines, Ltd., as a company has ceased to exist. United Mineral Lands Corp. has taken over its assets. These include the Paymaster Mine at Porcupine. United Mineral Lands joined the Paymaster on the south and the two properties are now to be worked as one. Both United Mineral Lands and Paymaster shares are assessable, the only assessable mine shares in the north. Six assessments have been paid on United Mineral Lands and thirteen on Paymaster. Under the terms of the merger Paymaster shareholders get 1½ shares of United Mineral Land Corp. for each Paymaster share. Mineral Land shareholders stock will be unchanged. Very little stock of either company is held in Canada.

Active Campaign Starts on Cartier-Malartic

From Our Own Correspondent

MONTREAL.—An active campaign of development work has started on the Cartier-Malartic group of claims in Malartic Township. Work on this property was actually started in December with a small crew of men, who were engaged in putting things in shape for the larger crew of men who have now gone on the property. Several large camp buildings have been erected and a crew of some 20 to 25 men are now working on the property. Cartier-Malartic has one discovery in Malartic Township on which all work will be concentrated for the present. A pit has already been started and this will be sunk to still greater depth. The pit is, at present, being sunk by hand drilling, but a steam mining plant is to be sent in over the winter roads. It is thought that the new plant will be in active operation within sixty days.

RADIORE SURVEY

MONTREAL.—A Radiore survey of the Dupuis Mine property in Desmeloizes Township has indicated some strong electrical conductors. The electrical survey which is now being carried out should be completed this month, after which diamond-drilling is to be carried out.

Douglas G. H. Wright
Consulting Mining Engineer and Geologist; Examinations, Reports, Explorations and Development Programme.
906 Royal Bank Building, Toronto
Phone ELgin 8437

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Preliminary Information
Cartier-Malartic Gold Mines, Limited
Incorporated under the Companies' Act, Province of Quebec.
CAPITALIZATION
3,000,000 shares of $1.00 per value.
1,800,000 shares are set aside for treasury purposes to finance development.
DIRECTORATE: Pres., De Gaspe Beaubien, Montreal; Vice-Pres. and General Manager, H. J. Stewart, Montreal; G. A. H. Muller, T. W. Anderson, E. Stuart McDougall, of Montreal; Sec.-Treas., W. E. Smith, C.A. Transfer Agents, Crown Trust Company. .Bankers, Canadian Bank of Commerce.
PROPERTIES: These comprise approximately 1453 acres grouped as follows: Block No. 1, in Malartic and Fourniere Townships, 1053 acres; Block No. 2, in Cadillac Township, 400 acres. These adjoin properties now being successfully developed and are along the line of strike of ore occurrences already located.
ENGINEERING OPINION: As a result of work already accomplished, these properties are considered to offer attractive possibilities. Both are located favorably in relation to holdings of other Companies and also to the geological conditions considered favorable to the encountering of gold ore deposits.
DEVELOPMENT: The management intends to assume an aggressive policy of exploration and development on all its holdings. Gold values of commercial grade have already been located on Range 17 and further sinking operations will be carried out without delay. Diamond drilling on the southeastern part of the property is planned, and detailed exploration on Group No. 2 is proposed for the earliest opportunity.
Application will be made to list the shares of the Company on the Standard Stock and Mining Exchange of Toronto and on the Montreal Curb Market.
A limited number of shares are hereby offered at 30 cents per share, the proceeds to be used for development purposes.
Further details on request
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DROP IN PRICES EXPLAINS DECLINE OF ORES IN B. C.

If 1926 Rates Prevailed, Production Would Reach Seventy Million

REFLECTED IN PROFITS

Decrease in Copper is Due to Lower Grade of Mineral Mined

By VICTOR DOLMAGE,
Geological Survey, Department of Mines, Ottawa

The mineral production in British Columbia in 1927 will amount to approximately $62,142,000, which is about $5,000,000 short of the record production of $67,188,842, made in 1926. This decline, however, may be attributed largely to the drop in metal prices for if the 1927 production were calculated on the prices prevailing in 1926 it would reach $70,000,000. It has been calculated that over 5,000,000 tons of metallic ores will be mined and treated in 1927 as compared with 4,775,073 tons during 1926. The lower metal prices of 1927 will be more strongly reflected in the profits earned and dividends distributed, which amounted, in 1926, to 25 per cent. and 14 per cent. respectively of the total production value.

The production of 1926 was made up of 26.5 per cent. lead; 18.4 per cent. copper, 17.4 per cent. coal, 15.7 per cent. zinc, 9.9 per cent. silver, 6.7 per cent. gold, 4.9 per cent. structural materials and 0.5 per cent. miscellaneous materials including gypsum, fluorite, arsenic, sodium carbonate, platinum and pyrite. While the production of lead, zinc, silver and coal will be greater and that of copper and gold less in 1927 than in 1926, still the proportions contributed by each of these products in both years will not differ greatly. The decrease in the copper production is due to the lower grade of the ores mined. The value of the miscellaneous minerals produced in 1927 will exceed that of those produced in 1926 by about $176,000, due largely to the production of about $5,000 tons of pyrite recovered by a selective flotation process from the ores of the Britannia mine.

Metal Producing Mines

The bulk of the metal is produced from a few large mines such as the Sullivan, Copper Mountain, Hidden Creek, Britannia and Premier. A dozen or more smaller mines, however, are daily treating from 20 to 200 tons of lead-zinc-silver or gold ore. Besides these a number of still smaller but very profitable mines ship high-grade ore direct to the smelters, and another group in the silver-lead districts ships milling grade ore to the customs concentrator operated by the Consolidated M. & S. Coy at Trail. Most of the members of this last group ship milling ore merely as a temporary expedient while passing through development stages preliminary to establishing their own concentrators. The high grade shippers, however, produce only ore of sufficiently high grade as to obviate the need of concentration.

There are seven or eight other properties on which concentrators, of capacities ranging from 50 to 200 tons per day are in various stages of completion, the majority of which will be put into operation early in 1928. These are the Whitewater, Ruth-Hope, Hewitt, Lucky Jim and Paradise, all in the southern part of the province, the Pioneer Gold Mine in the Bridge River district, the Dulthie Mine near Smithers and the Toric in the Alice Arm section of the northern coast.

Several mines such as the Sunlock and Old Sport have large bodies of ore developed and are ready for the erection of concentrating plants. Arrangements have been made to erect a small concentrator at the Silver Cup mine near Hazelton. A number of other deposits are nearing or have probably reached the stage of development at which the installation of concentrators is warranted. Among these are the Monarch, Giant and Ruth Vermont in the Golden district and the Porter-Idaho of the Stewart district.

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Estimated Ore Output Thought Conservative

Provincial Figures and Dominion Totals, One Year After End of Production Period, Are at Variance

Dominion Bureau of Statistics at Ottawa, in estimating the value of Canada's 1927 mineral production at $241,773,000, is very conservative, in the opinion of a number of authorities.

There is general agreement with the figures on metallic production and with all non-metallics except coal. It is believed that the figures in this regard are low and the same with the estimate on Structural Minerals and Clay products.

The coal figures vary considerably and the conclusion is that it is most difficult to get anywhere near the mark on estimates. One explanation of the difference between Dominion Bureau of Statistics estimate and that of the Provincial Mines branch, is that the Dominion Bureau, to provide a safe guide for business, makes its estimates well within the mark, whereas the Provincial Department, concerned only with the mines situation, desires that its department shall get all that is coming to it, in an estimate.

That a difference in figures exists where an estimate is concerned, is not surprising when it is found that Provincial figures and Dominion totals, one year after the end of the production period being dealt with, are at variance. This is true of the coal figures being used in making comparison with the 1927 estimate and the 1926 actual. No two sets of figures on the 1926 actual figures give the same total. There are several reasons that might be advanced for this. Long and short tons may be the explanation. Estimators do not always indicate the measure used. Some take production from the mines, whereas others may use the figures on coal actually marketed. To show the differences, some tables have been prepared on coal. In some cases these are estimates, and are used only to show that two different totals are quite possible.

	1926 Prov. Est.	Fed. Bureau of Mines		1926 Prov. Est.	Fed. Bureau of Mines	
British Columbia	2,330,036	2,613,719		2,470,000	2,632,888	
Nova Scotia	5,090,599	6,747,477		5,948,099	7,035,938	
Values Prov. Est.						
British Columbia	$11,650,180	$10,612,915		$12,350,000	$10,526,341	
Nova Scotia	22,609,256	26,845,226		22,572,820	27,533,218	
Federal Bureau of Mines estimate all Canada, by kinds:						
Total bituminous	12,393,079	48,153,572	3.88	12,769,814	49,012,706	3.84
Tot. sub-bituminous	489,736	1,458,116	2.98	545,874	1,636,031	2.99
Total lignite	3,595,316	10,263,406	2.85	3,406,438	9,610,166	2.82
Grand total	16,478,131	$59,875,094	$3.63	16,722.126	$60,258,903	$3.60

Dominion Bureau of Statistics estimate of production follows:

	1926 Quantity	1926 Value	1927 Quantity	1927 Value
Metals—				
Gold, fine oz.	1,754,228	$ 36,263,110	1,825,241	$ 37,731,080
Silver, fine oz.	22,371,924	13,894,531	22,210,936	12,488,000
Nickel, lb.	65,714,294	14,374,163	66,435,799	15,105,361
Copper, lb.	133,094,942	17,490,300	140,223,717	17,326,807
Lead, lb.	283,801,265	19,240,661	308,742,826	16,456,877
Zinc, lb.	149,938,105	11,110,413	160,108,800	9,985,900
Other metals	....	2,864,403	....	3,144,075
Total	....	$115,237,581	....	$112,238,100
Coal and other non-metals—				
Coal, tons	16,478,131	$59,875,094	16,722,126	$60,258,900
Asbestos, tons	279,403	10,099,423	272,923	10,425,539
Natural gas, M. cu. ft.	19,208,209	7,557,174	21,910,000	8,819,000
Gypsum, tons	883,728	2,770,813	890,000	2,850,000
Petroleum, crude, bbls.	364,444	1,311,665	495,000	1,583,000
Salt, tons	262,547	1,480,149	256,000	1,500,000
Other non-metals	....	2,145,826	....	2,098,461
Total	....	$85,240,144	....	$87,534,900
Structural materials and clay products—				
Cement, barrels	8,707,021	$13,013,283	9,976,005	$14,658,000
Bricks and other clay products	....	10,357,323	....	10,450,000
Lime, bushels	11,825,736	3,781,484	....	3,970,000
Stone, sand & gravel, etc.	....	12,807,308	....	12,922,000
Total	....	$39,959,398	....	$42,000,000
Grand total	....	$240,437,123	....	$241,773,000

Work May be Resumed on McIvor Property

Work will resume on the McIvor property within a short time, if negotiations now being carried on prove successful. The McIvor claims lie two miles directly west of the Macassa Mines in Teck Township. A shaft was sunk to a depth of 100 feet, and some work done on a promising vein some years ago, but no work has been done since. Of the $2,000,000 share capital, $800,000 remains in the treasury. Harry Oakes, president of the Lake Shore Mines, and Alex. Perron of Kirkland Lake, are principals of the company.

CYCLONE RAPIDS CO. SURVEY 3 GROUPS

Discoveries Reported on the Holdings of Concern in Clericy Tp.

Cyclone Rapids Mines, is a new organization to enter the Clericy field. J. W. Davis, managing director of Windfall Rouyn Mines, an organization which has been an outstanding feature of interest in the Quebec mining field in the last ninety days, is back of the new venture.

The new company's holdings consist of three groups of claims; the Cardinal, lies to the east of the Harvie main shaft, and between the main Harvie workings and those of Clericy Mines; the Anderson, adjoins Windfall Rouyn, holding practically half of the Windfall dome on which their major discovery was made. The third group, the Harburn, lies between Copper Hill Mines, Frontenac and Laurier Mines.

All three properties lie along the main Clericy break. Interesting showings have been developed on the Harburn, a number of ore zones have been opened up on the Anderson, one of which at least is said to be of major importance, while on the Cardinal claims, the discovery there, is said to rank among the most important of the year in this field.

Work has been in progress on these claims for the past six weeks. The company is capitalized at three million shares of $1 par value. No public offering is contemplated at present. A Radiore survey is under way on the properties.

JOINS STOBIE FORLONG

Sidney Norman, a newspaper man with a wide mining experience on the Pacific Coast, both United States and British Columbia, has joined the staff of Stobie Forlong & Co. He will handle all that company's publicity.

PUMPING STARTS ON DEVENISH OIL IN SKIFF FIELDS

Crude is Run Into Tanks and Moved to Imperial Refinery

From Our Own Correspondent

LETHBRIDGE, Alta.—Although hampered by wintry weather conditions, the crew at the Devenish-Imperial discovery well in the heart of the new Skiff crude oil field, southeastern Alberta, are engaged in rigging up the well with a pump. Failing to find production at a lower level the well was bridged back to the original production horizon at 3090 feet where there is a 25-foot crude oil sand. The well will now be put on the pump, the crude being trucked to Skiff, seven miles to the north. It will there be run into tank cars and moved to the Imperial Oil refinery at Calgary.

The Imperial has arranged to take care of the production from the Skiff field so that this important phase of the development of the new area opened up last summer has been satisfactorily met. The crude from the Devenish well runs around 22 to 23 gravity with a lubricant base and it is a good, commercial oil. It is thought that additional exploration to be made next summer by the Imperial-Devenish combination will disclose heavier production and a higher gravity oil. There is an impression among oil men that the discovery well is an edge well and that farther to the west both north and south wells higher up on structure will be found with an improvement in the production. The well made 250 barrels on the bailer and is expected to do better on the pump.

In the Pincher Creek field the Mount Royal No. 1 is again making hole and drilling is around 1,100 feet. Production is expected at 1,500 feet. This is one of the most interesting wild cats now being drilled south of Calgary. The whole structure has been pretty well covered by lease and there is some movement in acreage on the strength of the promising outlook. Half a million feet of wet gas has already been encountered in this well. Farther south the Doherty company location is a busy spot as the crew continue rigging up in spite of subzero weather. The Doherty will have a first-class rig on its Waterton river location and rapid drilling is anticipated.

World Famed Geologist Joins Canadian Firm

Dr. H. C. Boydell, New Zealand geologist, is coming to Canada to enter into a consulting partnership with Douglas G. H. Wright, under the name of Wright & Boydell.

The doctor is a graduate of the Otago School of Mines, New Zealand, holds first class mine manger's certificates in both New Zealand and South Africa, and has completed a post graduate course at the Massachusetts Institute of Technology, Boston, Mass. Since 1919 he has been associated with Professor Waldemar Lindgren of the institute in geological examination work.

Dr. Boydell's mining experience has been gained in the mining fields of New Zealand, Australia, the South African Rand, Gold Coast Colony, the British Isles, Greece, United States and Canada. He spent three field seasons in the Porcupine, Kirkland Lake and Rouyn mining districts, where he engaged in geological work, and has made two valuable contributions to geological literature, "The Role of the Colloidal Solutions in the Formation of Ore Deposits," and "Control Factors in Ore Deposition."

MINING DIVIDENDS IN B. C. OVERTAKE HIGHEST RECORD

For Second Year, Consolidated Mining Pays Largest Dividend

COPPER INCREASES

Coal Represents the Highest Value of All Mineral Products of the Province

From Our Own Correspondent

VANCOUVER.—Mining dividends in British Columbia were the highest in history during 1927, according to unofficial figures released here. They aggregate over $11,000,000.

For the second year in succession the Consolidated Mining & Smelting Company has paid the highest annual dividend of any mining corporation in Canada, and two British Columbia companies rank among the first five.

Here are the figures for the principal operating companies:

	Rate of Dividend & Bonuses	Dividends in 1927	Total Dividends to Date
Consolidated	50%	$6,348,984	$22,729,833
Premier Gold	32%	1,600,000	11,750,937
Granby Cons.	1%	326,223	11,087,661
Crow's Nest Pass Coal	6%	362,960	8,680,094
Howe Sound (Britannia-Mexico	No par	1,984,152	5,459,409

Hundred Million Mark

This year's dividends bring the total for all time in British Columoia past the hundred-million dollar mark —$105,134,384 to be exact.

While the total value of mining production in 1927 was less than the figure for 1926, this was not due to lessening of output but to the reduction in metal prices. Last year prices were lower than they have been for years and increased volume was not sufficient to offset the price decline. Had the 1926 prices been prevailing there is no doubt that B. C. mining output would have been worth more than $70,000,000 and the fact that copper has taken a definite spurt upwards and that lead and zinc are also developing strength indicates that if present production is maintained the year 1928 should hang up a new record for the province.

The actual value of 1927 production, according to government estimates, approximates $62,000,000 and this incidentally brings the total mineral output of the province past the billion-dollar mark. With a billion-dollar production and $100,000,000 in dividends British Columbia stands in a unique position among the world's mining countries.

Copper Increases

Copper represents the greatest value of the metal minerals in 1927 and it has maintained a steady annual increase since the industry began in 1894. So far as volume is concerned, lead takes first rank and British Columbia now produces ten per cent. of the world's supply of this metal and 95 per cent. of the Dominion's. Last year brought zinc to record production — 148,000,000 pounds and when it is considered that the output of this metal was negligible until the war when research work made it possible to utilize the refractory ores of the Sullivan mine the showing in this department is noteworthy.

Coal represents the highest value of all the mineral products of the province, amounting to nearly one third of the total.

In silver British Columbia has surpassed Ontario as a source of silver, in spite of the tremendous output of the Cobalt field.

The Britannia mine now holds first place in the Empire as a producer of copper, while the Sullivan mine is the world's largest producer of silver, lead and zinc.

Continental Mines Is Being Re-organized

Continental Mines, with a large block of ground north of Gull Lake in Kirkland Lake camp, is being re-organized and will be known as Continental Kirkland.

The old company has 623,000 $5 shares issued. The old company will get 1,246,000 shares in the new venture, which will have $5,000,000 capital, $1 shares. New stock will also be offered old shareholders in raising new capital. A syndicate has already agreed to purchase 1,000,000 shares, and optioned a similar block.

Directors of the new company are: R. A. Bryce, Toronto, president; R. C. Warriner, vice-president, and Thomas Riggs, secretary, together with H. C. McCloskey and W. Mann, directors.

The company owns twenty-seven claims in the eastern section of the Kirkland Lake field. There is a length of about three miles on the break and the geology is said to be similar to that of the producing mines. Work on the property is to commence immediately. There is already one shaft 800 feet deep and it is intended to cross cut from the bottom of this and possibly engage in horizontal diamond drilling. Another shaft about three-quarters of a mile to the south-east of the former operations is only down a short distance and sinking operations will start there right after the first of the year. The property is well equipped with buildings and machinery.

It is stated that it is not the intention of the directors to list the stock at the present time, although they may do so later. The money which is being subscribed will all go into actual development, it is said, as the old company had no debts.

Sulphide Zone Struck Near Pelletier Lake

From Our Own Correspondent

MONTREAL.—D. A. Mutch, engineer in charge of development work on the Rubec Mines at Pelletier Lake, has wired: "Have struck heavy sulphide zone on Rubec. Sending samples, looks awfully good."

The find was made on the northwest section of the old Rouyn Gold Mines property in a strong chalcopyrite showing. Mr. Mutch reported an assay of 18.5 per cent. in copper. An independent engineer, C. Mohr, has been sent to the property.

Extensive surface work has been done on the Rubec property since last August by a force of some 25 men working under Mr. Mutch' direction. As some $200,000 had been spent on development work on this property prior to its being taken over by Rubec, the crew has had the advantage of the results of previous development to aid them in their work.

TO OPERATE FLIN FLON

Hudson Bay Mining and Smelting Co., will operate Flin Flon property. It is said Whitneys are considering issuing 2,000,000 shares at $15. Plans are now being formulated at New York.

High Grade Ore Demand Enhances Nelson Area

Number of Old Properties, Supposed to be Worked Out, Have Staged Comeback in This Long Neglected District

Many factors entered into making the year 1927 the most active in the past ten years in mining in the Nelson-Kootenay-Boundary and Slocan districts of British Columbia. One of the principal of these was the establishment of an unlimited market for high grade ores, carrying base metals, by Consolidated Smelter at Trail and the opening of a customs mill for milling ore at Moyie by the same company.

Another important factor that seems to presage continued activity in this long neglected area, has been the comeback of a number of old properties that were regarded as worked out. W. G. Norrie told the B. C. Chamber of Mines recently that he is doubtful if any of these properties are through, after what has taken place recently at such mines as the Whitewater, Yankee Girl, Lucky Jim, Hewitt and others. He added:

I venture to say that in the course of the next few years we shall see work resumed at many more of these so-called worked out mines. Vancouver has not reaped the advantages out of the district that it should have done. The ownership of the Slocan and Salmon River mines is to a great extent in the United States—principally in Spokane. The district is now much more accessible to Vancouver than it once was and Vancouver people are taking more interest in it. Successes like the Whitewater and Ruth-Hope, which are Vancouver flotations, should go a long way to stimulate interest in the district, and I look to the time when a large number of the successful mines of this province will be owned by Vancouver people."

SOME RICH GOLD POCKETS IN N. S.

In Old Days, Government Assay Office Handled Sales to Prevent Thefts

What the future holds for the Nova Scotia gold mines and metallic mines may be judged from the fact that in the old days some mines were so rich that efforts were made to have all gold sales go through the government assay office in order to prevent theft. While rich pockets do not make a mine, yet with the undoubtedly large ore bodies which lies concealed below ground, made up of ore of a milling grade, the mining operator in Nova Scotia can also look forward to encountering occasional very high grade pockets which will increase materially the level of earnings from mining in the province.

The principal areas in which gold is found in Nova Scotia are: Stormont, Cochrane Hill, Win Harbor, Goldenville Tangier, Fifteen Mile Stream, Montague, Waverley, Oldham, Mount Uniacke, Brookfield and Malaga. Extensive work is being carried out on all these areas. Incidentally, the gold bearing domes cover all these districts. The quartz veins which carry gold occur in both the slate and quartzite rocks. The quartzite rocks are known locally as whin.

OPTION HALLIWELL GROUP

Quebec Mining Securities of Quebec City, has secured an option of the Halliwell group of claims in Boischatel Township, Que. A favorable report has been made on the property by Douglas Mutch, M.E., and a campaign of diamond drilling is to be commenced in a few days to test out the possibilities of this group of claims. The property was at one time under option to the Timmins interests.

LAVAL QUITS DESMELOIZES

Laval Quebec has halted all operation in Abana area and an important announcement regarding future efforts is expected.

Several Mineralized Zones Indicated on Oriole Mines

A magnometer survey of the Oriole Mines property situated on the western boundary of Montbray Township, Que., has indicated several mineralized zones. Three test pits have been sunk on this zone over a distance of 750 feet. The deepest of these is down 12 feet, where it has struck patches of massive chalcopyrite in a disseminated mass over a width of eight feet.

On the completion of the winter road to St. Anthony Landing, a diamond drill will be brought in to determine conditions below the main mineralized zone already opened up.

Geological Survey Parties Report on Northern Ontario

The Geological Survey presents the results of investigations carried on during 1926 by Geological Survey field parties in Ontario, Quebec, New Brunswick and Nova Scotia, in a summary just issued. Descriptions are given of the Mesozoic and Pleistocene lignite and peat deposits of Missinabi, Opazatika and Mattagami Rivers of Northern Ontario. The report will be of interest to those who, from time to time, have considered the economic possibilities of these deposits.

The question of the origin of the copper ores of Rouyn is discussed, and descriptions are given of mineral discoveries in Landrienne, Barraute and Dubuisson townships of Western Quebec.

Brief notes are given on developments in the gold fields of Nova Scotia, and the lead-zinc deposit of Leadvale, Colchester County, Nova Scotia; the copper deposits of Goshen, Albert County, and Annidale, Kings County, New Brunswick, and the sand deposits near River Denys, Nova Scotia, are described.

Consideration is also given to the oil possibilities of the Lake Ainslie area, where oil seepages have from time to time attracted the attention of petroleum geologists.

CHAPUT HUGHES CAPITAL

Chaput Hughes, Kirkland Lake camp, proposes to increase its capital three to five million dollar shares and launch new development effort.

Morgenthau Min. Collection Now on View in Toronto

An opportunity to view the famous Morgenthau mineral collection in its entirety, at 8 King Street West, Toronto, is given, according to a statement made by F. M. Ruggles, president of Ruggles & Ruse, the owners, who purchased the collection from the executors of the estate of Mengo L. Morgenthau.

The various specimens, of which there are more than 40,000 individual pieces, range from precious stones to the crudest forms of mineral bodies, with each single piece only having been added to the collection after Mr. Morgenthau was satisfied it represented a perfect sample of its kind.

Throughout his lifetime Mr. Morgenthau was known as an ardent collector of ore bodies or stones, and he garnered his specimens from every corner of the globe. In addition, he derived a great deal of pleasure in showing the evolution of minerals and consequently he graded his specimens to show the various processes through which stones and minerals pass from the crude state to the finished products.

HOW GOLD DEPOSITS OF N.S. CAME ABOUT

Deposits Are Found in Big Throw-Ups or Domes in Formation

The ore deposits of Nova Scotia, said one technical authority, are found aggregated on the domes of plunging anticlines. This may mean something to the technicist, but it means nothing to the layman. The rock strata in which the gold is now found, was first deposited horizontally on the floor of the sea. It was then subjected to great pressure which caused a succession of what might be termed hills and vales in the rock. The top of the undulation is known geologically as an anticline. The valleys are known as synclines.

In later ages, these undulations in the rocks were subjected to lateral pressure from the other directions, thus causing domes to be formed along the anticlines. Later came the ice and erroded in many instances the tops of these domes.

It can be seen that when rock was forced upwards, that the weakest parts of such a structure and the parts most liable to crack were the domes, and here it is to-day that the miners find the gold deposits. As has been said, in some instances the tops of the domes have erroded but the formation is still there, indicating that in former ages the whole structure has been forced upward.

The domes themselves occupy an area of several square miles and are scattered throughout about half the area of the province. Gold bearing veins have also formed along what is known as the axis of the anticlines —that is, a line running along the top of the undulations. Mining has been carried out in the past by shaft sinking along the axis of the anticlines. Thus, many of the Nova Scotia shafts enter the ground at an angle of 45 degrees and continue to depth simply following along the weakest part of the formation where the gold-bearing rocks have been forced upward by pressure from below. As many as 25 such domes are found in one area of about 70 by 35 miles.

LOW GRADE MINE IS NOW INDICATED ON THE MARRIOT

Company Will Take i Mining Plant and Launch Development Effort

Marriott Mines development wor during the past year, consisting of trenching, stripping, test pitting and diamond drilling, gave very favorable results. The original discovery was made on the east shore of Mc-Diarmid Lake and following the original discovery further surface work disclosed several outcroppings of the orebodies along the shore line. The outcropping consisted of a zone of fractured mineralized rhyolite with massive chalcopyrite and bornite in several places. The original zone is from ten to twenty feet in width. About three hundred feet of trenching was done to the north and east of the original discovery, this work uncovered good mineralization. A small shaft was sunk on the original discovery but it was impossible to carry this to any great depth due to infiltration from the lake. The results from surface developments were so satisfactory and the formation was such a nature that it indicated ore deposition of high-grade that diamond drilling was undertaken with very satisfactory results. The first five holes demonstrated that the rhyolite was well mineralized and gave the engineer an opportunity of ascertaining definitely the depth and direction of the orebody. Further drilling indicated an orebody of approximately fourteen feet in width and definitely proved the downward extension for over four hundred feet. The ore cut is of a clean mixture of copper and iron sulphides. Diamond drilling is continuing as well as surface work.

With the opening of spring it is proposed to instal a complete mining plant and to start shaft sinking as the result of the development work to date has proven Marriott Mines to a point where it can be definitely stated that they have a mine of low-grade ore and that further development work is expected to reveal massive chalcopyrite similar to that found on the surface.

Employing the same method as that by which Waite-Montgomery, Noranda and Towagamac Mines were first successful in indicating large masses of ore (diamond drilling) and under conservative and aggressive management it may be said that Marriott is following the right course to bring results to the shareholders.

KIRKLAND GOLD ORE AT 2,[illegible] FT. LEVEL SHOWS 20-FT. WIDTH

Kirkland Lake Gold's ore body has widened to 20-ft. on the 2,[illegible] ft. level of good uniform grade of ore. This is the greatest width encountered.

OPENS LARGER OFFICE

E. S. Gordon, broker, has taken larger offices on the eighth floor of the Reford Bldg., Bay Street, Toronto.

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BRITISH SYNDICATE MAKES PURCHASE OF PORTLAND LINE

Railway Would Provide Economical Transportation for Many Mines

REACH PEACE RIVER

Ultimate Goal Besides Mines and Log Camp is Area East of Rockies

From Our Own Correspondent

VANCOUVER. — An announcement of prime importance to the Portland Canal district is that of H. A. Lewthwaite in Vancouver, who has informed local business men that Sir Donald Mann's old Canadian Northeastern Railway charter has been turned over to a British syndicate and that a railway will be operated from Stewart, at the head of Portland Canal, to the Upper Bear River Valley, a distance of 15 or 18 miles.

Such a line would provide economical transportation to such properties as the George Copper, the Rufus and Argenta, American Boy Independence, in all of which large operating companies have recently acquired interests.

The George Copper is operated by Consolidated Mining & Smelting Company, the Rufus and Argenta by the Noranda interests, American Boy by a New York group said to be associated with the Whitney's who recently acquired the Flin Flon Mine, and the Independence by Revenue Mining Co. Red Cliff Mine, in which Tretheweys bought control, is in the same area.

H. H. Stevens, M. P., was associated with Mr. Lewthwaite in the railway deal. In 1909-10 Sir Donald Mann projected a standard gauge heavy rail track about 12 miles up the Bear River with the object of pushing it through to the Groundhog coal fields and to the Peace River country, linking it with the transcontinental lines on the prairies. The slump of 1913 and the war put a quietus on his enterprise.

It is presumed that the charter he has turned over to the British syndicate of capitalists is in good standing and may be exercised with full original privileges.

As a consequence there are many rumors that the road will be extended through to connect with the Edmonton & Dunvegan Line, making Stewart an important railway terminus and draining Peace River grain to that port.

Messrs. Lewthwaite and Stevens are asking newspapermen not to mention extensions of the road. They say that it should be considered as a mining and logging road and that it will be built to handle freight to and from the present properties at the head of the Bear River and near American Creek. There are certain timber limits on the floor of the valley that may be logged by use of the railway.

Kirkland Premier Mine Has Good Ore to Mine

Kirkland Premier Mine in Kirkland Lake has 75,000 to 100,000 tons of $7 to $8 ore that could be mined and treated profitably, W. R. Osborne has informed Pres. W. F. Empey. So the latter says in a letter to shareholders. Tests of the ore have been made at Lake Shore Mines. This property is the old Kirkland Rand and prior to that Montreal-Ontario. The Kirkland Rand's life was snuffed short when a fire destroyed the surface plant and mill. Mr. Osborne in his letter to Mr. Empey says that the machinery to treat the ore is almost entirely on the property. The remnants of the old mill could be rearranged and with very little new machinery made to take care of from 50 to 100 tons for each 24 hours and this could be so arranged that one man on shift could operate the mill. The building for this plant would only require to be 25 ft. by about 90 ft. I am of the opinion that this whole mill could be reconstructed, building and machinery, for something like $25,000.

Operations on Stadacona Reach Interesting Stage

From Our Own Correspondent

MONTREAL.—Operations on the Stadacona Rouyn property have reached an interesting stage, and the progress of the development work on the property will be closely followed from now on. The Radiore survey, which was conducted along the diabase dyke on lot No. 8 and No. 24, a distance of 350 feet on either side, indicated thirteen mineralized zones.

It is understood that the zones lie in the same direction to the dyke as the Noranda ore bodies, which lie to the north of the Stadacona Rouyn property.

A diamond-drill has been set up on No. 4 conductor, where a vertical hole will be put down. The readings of the Radiore survey indicated mineral at an average depth of 250 feet. It is the intention to operate two drills in three shifts of eight hours each on the mineralized zones indicated by the Radiore survey.

Good Strike is Reported by Granada-Rouyn Mines

From Our Own Correspondent

MONTREAL.—A strike of eighteen feet of sheared zone with quartz molybdenite, and heavy sulphides is reported by Granada-Rouyn Mines. W. J. Hosking, mine superintendent, has wired that the strike was made on the 130 foot level. No assays have yet been made, but the results of these should prove most interesting.

An electrical survey of the property has been undertaken by the Radiore Corporation, which began operations this week. Diamond-drilling of the sulphide zone is to be carried out and the matter of a contract for this drilling is now being arranged. A crew of 45 men is working on the property and an energetic programme of cross-cutting and drifting is being carried out.

Shaft on Ostrom Gold Reaches 500-ft. Level

The shaft on the Ostrom Gold Mines (Boston Creek area) has reached a depth of 500 feet. A sump and station cutting is now under way and the management hope to start extensive lateral operations at the 500-foot level in the course of a few weeks' time. At least ten veins can be developed within a radius of 600 feet of shaft.

LARGE FIRECLAY DEPOSIT

What is said to be one of the largest fireclay deposits on the British Columbia Coast, located near Hillbank, on the line of the Esquimault and Nanaimo Railway, is being developed. A plant has been installed and the manufacture of pipe, tile and brick begun.

Mining Inquiries

Sherritt-Gordon

Do you believe the shares of Sherritt-Gordon are an attractive speculation for a quick turn?

We would not care to express an opinion on any stock as a speculation for a quick turnover, but we believe Sherritt-Gordon will prove an attractive long hold proposition. The opinion has been expressed that it is an even bigger mine than Flin Flon, and now that the construction of a railroad is assured, it may be assumed than an appreciation in the stock will follow.

Kootenay-Florence

I would be glad of your view of Kootenay-Florence.

Kootenay Florence has its head office in Nelson, B.C., and is capitalized at $600,000, with 3,000,000 shares of 20 cents par value. Substantial mining men are behind the operation. The company is carrying out a very extensive exploratory effort on a property which has long been known to have a great deal of merit and which has a considerable amount of ore already proven. It looks like an attractive speculation.

Tulameen Gold

Could you give any information on Tulameen Gold and Platinum, of B.C.?

Tulameen Gold and Platinum Recovery is a placer operation in British Columbia, in old Cedar Creek country. The area has given up some very rich gravel and the claim is now made that an old prehistoric river has been found that contains a tremendous tonnage of pay gravel. This is yet to be proven. There is also the problem of getting sufficient water. We judge the venture is in the same position as a lode prospect. If it works out successfully it should be very profitable.

Rouyn Copper Gold Min. Syn.

In August of last year, upon the advice of Frank Logan, editor of "Investors and Traders Forecast Service," I bought 100 shares of "Rouyn Copper," listed at that time on the Montreal Mining Exchange at $3.

C. B. Cannon, 71 Notre Dame Street, Montreal, advised me they were mailing through the bank a certificate for 100 shares of Rouyn Copper. Later, I received 100 shares of "Rouyn Copper Gold Mine Syndicate." I have written both C. B. Cannon & Co., and Frank Logan several letters, asking for an explanation, but can't get a word out of them.

I have been informed that Rouyn Copper Gold Mine Syndicate has passed out of existence, and I have good reason to believe that the two birds referred to have also. This looks to be a case where a sucker was roped for $290.

I would like to have some information re C. B. Cannon Co., Ltd., also Frank Logan and what connection there is between "Rouyn Copper" and "Rouyn Copper Gold Mine Syndicate, if any. I would also like to know whether the latter is worth $290 per 100 shares, or $2.90. Any information along these lines will be greatly appreciated.

We understand that Rouyn Copper was re-organized and taken over by Rouyn Copper Gold Mines Syndicate. Shares of the latter company were offered at $3, but there has been no trading in the stocks for months, and it was taken off the Montreal Mining Exchange due to its inactivity.

C. B. Cannon & Company appear to have passed out of existence. Investors and Traders Forecast Service is a tipsters' sheet. The man behind this paper was recently put under arrest for the alleged defrauding of a client of some mining shares. You can, therefore, see that both the securities you purchased and the information you relied upon are of a very unsatisfactory nature. From the information we have been able to obtain, we are of the opinion that you will have to pocket a total loss. We should advise you to consult a brokerage house of established standing before investing in mining stocks.

Grover-Daley

I am a reader of The Financial Post. I am holding Grover-Daley at 9½, Don Rouyn at 38, Montreal Rouyn at 15½, Stadacona at 23. Kindly give me your opinion of these shares.

I also held Rouyn Gold at one time and had to exchange it for Quebec Gold Belt. Do you think it best for me to take my Rouyn Gold back, or leave it as it is? What do you think of Columbus Kirkland as a buy?

Grover-Daley is a gamble. It has two well-located properties, however, and the company has sufficient money to carry on development work for some time to come.

Strong financial interests are behind Don Rouyn, and although no information has been given out to the public it is stated that considerable development work is being done on the property and that good surface indications have been found.

Stadacona is considered a good gamble. An aggressive exploration program is being carried out and a strike was recently reported.

Montreal Rouyn has gone through considerable organizing. We do not consider it an attractive proposition and think you would be well advised to dispose of your holdings.

We do not think you can do anything with your Quebec Gold Belt shares at the present time. After the present financing of the Rubeck Mine is completed, you will probably be made an offer whereby you will be able to exchange your present holdings for shares in Rubeck.

Columbus Kirkland is an out and out gamble. It has a property that has possibilities, but the issue has been made a market football.

Wright Hargreaves looks good for a further rise to us. We think it would be to your advantage to hold on to Noranda and Teck Hughes. The information given out at the annual meeting of Teck Hughes makes it look bigger than many have thought it. If you can sell Amulet at $7, we would advise you to do so. The last quotation we had on this stock was $4.70.

Tough Oakes is now selling at 78 cents. If you can get $1, take it.

Precious Metals Corp.

In August, 1926, I bought 60 shares of the Clark Bourlamaque Gold Mines. Later, I received a letter from the company's office, stating that after a meeting of the board of directors it had been decided to sell the company to the Cambrian Gold Mines. Later, I received a letter asking me to bring my certificate to the office or send it by mail so that it might be exchanged for Cambrian Gold Mines stock. I complied with the request but the certificate sent back to me was without the trustee's signature, thus making it invalid. I was promised that the matter of the signature would be attended to, and that other shareholders were in the same position.

Since that time I have received circulars giving little information of the company's operations. About a month ago I received a circular letter from Precious Metals Corporation setting out a few of the companies amalgamated, but my request for the trustee's signature on my certificate was ignored.

Will you please give me some information about Precious Metals Corporation? Is it still in existence? What is your opinion on this matter, and what should I do to obtain the trustee's signature to my certificate?

We understand that by consent of its shareholders the property of Clark Bourlamaque Gold Mines Company was surrendered to Cambrian Gold Mines Company on a share for share basis. Cambrian Gold Mines inform us that owing to the fact that the company is without funds and that very little of its stock is being transferred, no transfer agent has been appointed, and the holdings of the shareholders are simply registered on the books of the company. If you are not satisfied with this arrangement, we would advise you to consult a lawyer as to whether you have any redress against the company.

The Precious Metal Corporation inform us that there is no connection between this company and the Cambrian Gold, beyond the fact that Precious Metals Corporation has holdings of 850,000 shares of Cambrian Gold Mines, which were turned over to it in consideration of its doing assay work on the property.

Precious Metals Corporation is a holding company. It controls the North American Lead and Refining Company, and the Dorion Zinc and Lead Company, located in the Dorion Township, 140 miles east of Port Arthur. It also owns properties in the Northern Quebec mining field, and has holdings in Bourlamaque Syndicate, Cambrian Gold Mines Limited, Calartic Mines Limited, Commercial Mines & Metals Limited, Jay Copper Mines, Limited.

Precious Metals Corporation was refused listing on the Montreal Mining Exchange owing to the fact that the corporation failed to satisfy the authorities as to just what its holdings comprised.

The promotion of both Cambrian Gold Mines and Precious Metals Corporation leave much to be desired, and for this reason we do not consider either of them at all attractive.

Treadwell Yukon

Kindly give me particulars of the Errington Mine of the Treadwell Yukon.

Detail of the development of Errington Mine, Sudbury, by Treadwell-Yukon Co., are published in 1927 Survey of Mines, which you have received. Ore contains commercial copper, lead and zinc values with low precious metal-content.

Noranda

There are rumors that Noranda ore does not go down. How about it? Is the capitalization not too high?

We have discussed the prospects of Noranda getting ore at depth with some good independent engineers and they say there is no worry over this. They say that the formation is deep seated and that ore bodies will continue until there is a change in the formation. Noranda has been sinking its shaft to new low levels and has made some important discoveries around 400 and 600 feet. The hole that cut ore at depth was at 734 feet. Noranda meanwhile has been finding new ore bodies on surface and has great possibilities in this regard, only a small part of the surface having been studied. The ore is found in large kidneys. In a recent issue we gave a graph indicating the possible trend of Amulet bodies. This was prepared by an engineer who has given a great deal of study to this section. Dr. A. R. Whitman, California, one of the foremost geologists on the continent, told the writer that the ore deposits would be deep seated. Some regard the Noranda capital as high, but you must remember that besides having the Horne property, they have their huge smelter and customs rights for the whole area. They have a 65 per cent. interest in Aldermac Mines.

This latter company has proven ore down to below the 1200-ft. level, and has very substantial reserves. In addition the company has an 85 per cent. interest in Waire Ackerman Montgomery Mines, which is credited with $11,000,000 ore reserves. This property has been explored in a small way and has large possibilities. It may be that for its present assets the operation is highly capitalized, but its possibilities are tremendous.

Canada Night Hawk

Would you kindly give me your opinion on Canada Night Hawk Mines, Ltd.?

Canada Night Hawk Mines is located in the Night Hawk section of Porcupine camp and is a prospect only.

Goodfish Mines

Please give your views on Goodfish Mines.

Goodfish is on what is termed the north break of Kirkland Lake. The property is well regarded and in good hands. The shaft is now being sunk to 1,000-ft.

Abana Mines

I would appreciate your opinion of the Abana Mines.

Abana Mines ranks among the leaders in N. W. Quebec. Our last issue of 1927 dealt with the Quebec field and presented detailed facts on Abana.

Abbey Mines

Would you kindly give your opinion of the Abbey Mines?

Abbey Mines adjoins Abana in N. W. Quebec. An electric survey revealed what are said to be good indications. Drilling to test these out is now proceeding. The company is well financed.

Porcupine Midfield

We would like you to give us any information available on the Porcupine Midfield Gold Mines, Ltd.

Porcupine Midfield properties are located in Porcupine camp. There has been some talk of late about raising money to operate the property, but nothing has been achieved.

Allied Mines

Would you kindly give me particulars regarding the Allied Mines Syndicate? Also I would like information as to the reliability of its promotion and further in respect to its future prospects and saleability.

Allied Mines Syndicate does not seem to have made much progress. The syndicate started with a burst of selling and raised considerable money. What portion of this was allotted to operations we don't know but its expenditure has yet to produce anything in the way of a mining sensation.

Grover-Daley

I would be glad of your opinion on Grover-Daley Mines.

Grover-Daley Mines has a group of claims near Boischatel Duprat boundary and also an option on a substantial interest in Duprey Mines. We are not acquainted with the terms of the deal, but our feeling is that the Grover-Daley market is a true one and Duprey looks as if it was manipulated.

Priceoil

This company proposes to erect a refinery in Wainwright, Alberta. I should be glad of your opinion of this company.

We are not acquainted with the details of Priceoil Dev. & Refining Co. which proposes to erect a refinery in Wainwright, Alberta. However, having visited the Wainwright field on more than one occasion, we would suggest that that oil area hardly needs another refinery, but could do well with a few more active drilling operations. We doubt if the oil being produced in the area justifies the installation of another refinery.

Amulet

I hold 500 Amulet at $4.95. Would you advise holding it? I also hold 50 Coast Copper at $20.50. Do you know anything about this?

We think you would be well advised in holding Amulet. It is considered one of the outstanding speculations offered in the Quebec mining field and one which will amply repay those who are willing to treat it as a long hold speculation. Amulet is considered a big mine in the making. Rich ore bodies have already been discovered and their extent has not yet been fully determined. It is said that it will be at least a year before the possibilities of the property are available.

Coast Copper is controlled by the Consolidated Mining and Smelting Company. The property is located at Quatsino Sound, on the north end of Vancouver Island. Development work has been carried on by Smelters over a period of eight years and it is said that the results obtained are of great magnitude. It has been said that these shares are worth nearer $50 than the present market value. We believe that Coast Copper will prove a satisfactory business man's speculation if held over a period of time.

International Nickel

We would like to have your opinion of the common stock of International Nickel Co. as a speculative investment.

Common shares of International Nickel are regarded as having very attractive possibilities for, say, a two year hold. Present dividend rate, $2 per share, is doubly earned.

Fiske Gold

Would you recommend purchasing Fiske Gold?

Fiske Gold Mines does not seem to be making much progress. We believe that some changes are contemplated that may bring better results. Until the company becomes more active we would not recommend purchase of the shares.

Harvie Mining

Please advise reason assigned for the recent severe drop in prices of Harvie Mining Co. shares.

We have dealt with the Harvie market situation repeatedly in our enquiry answers and news columns. The mining operation is going along steadily and is well handled. The market situation is due to a clash of interests not associated with the company and this broke the price.

Keeley Mining

Kindly let me have your opinion on the Keeley Mining Co.'s future prospects; also La Salle Copper Gold. I would like to obtain a list of companies that are paying a dividend and the future prospects.

It is difficult to size up the Keeley situation. Because of the low price of silver production and development has been curtailed. Last year the company dropped the 8 per cent. bonus and now there is talk of cutting the 16 per cent. regular dividends. La Salle Copper is a mere prospect in N.W. Quebec.

Consult the mining table in our regular issue and you will find the dividend payers indicated.

Foley Mine

A manager of an English bank writes us for information regarding the Foley Mine, stock in which is being sold by British Canadian Mines, Ltd., and enquires from us as to our oinion on the investment as a seculative one. We shall be very thankful for any information which you may be able to give us as to the mine and the company which sponsors it.

Foley Mines is located at Mines Centre, near Port Arthur, Ontario. The company, British Canadian Mines, has been attempting to prove up a mine and for a time it looked as if they had a success, as they were going ahead with mill plans and even announced the date they expected to start milling. Luck has evidently not been their way. They are making a real mining effort and the operation is in good hands.

Argyle Cons.

Will you please give me a report of the Argyle Consolidated Gold Mines, Limited, setting out its position and financial standing?

Argyle Consolidated Gold Mines own four groups of claims. One group is located in the Kirkland Lake district, the second in Dasserat Township, Quebec; a third in the Matachewan district north of Elk Lake, Ontario, and a fourth in McVittie Township, Ontario. The company at the present time is centering its activities on its Kirkland Lake property. It reports having recently uncovered a 30 foot vein of ore without touching the wall on either side, and having traced the vein for a distance of over 600 feet. Samples are reported to have assayed $14 gold to the ton. Julius Messer, consulting engineer, states that this property looks promising in regard to formation and mineralization and reports four different breaks on the property. One assayed $3.80 of gold to the ton, a second $1.20 to $2.90, a third, four feet in width, from $6 to $7, and a fourth, gave assays of $1.20 to $29.80 per ton. This report was made previous to the discovery of the recent dyke.

The Matachewan claims were prospected in 1925. Stripping and trenching uncovered a vein over 100 feet wide for a distance of 125 feet which assayed up to $44.44 a ton and a small dyke, 6 to 9 feet wide, gave values from $4 to $9 a ton. Engineer Julius Messer reports the result of assays compared favorably with outcrops of Kirkland Lake ore bodies in the early days of that camp.

The company's claims in Dasserat Township were prospected from May to June of this year. A gold and copper dyke was located 70 feet wide and 300 feet long with solid gossan outcrop.

Reporting on the company's McVittle Township property, engineer Messer states that there is a large vein crossing the property and an assay of the ore taken from this vein exhibits from $1.80 to $35 in gold to the ton.

Argyle Consolidated Gold Mines Stock is not listed and the shares are being sold through the company's Montreal and Ottawa offices. The company has an authorized issue of 3,000,000 shares of no par value; 1,500,000 of these consist of vendors stock in pool, and 1,500,000 treasury stock. The company reports nearly 200,000 shares of treasury stock sold to date. Of this amount, the first 100,000 shares were sold at 20 cents a share and the second 100,000 are being sold at 30 cents a share. There is no trading in the stock, but the company reports that the stock will be listed as soon as sufficient progress has been made in developm work to assure the protection of stock.

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On the 300-ft. level number four crosscut shows high-grade ore over a width of 40 ft., with the crosscut face still in ore. This very exceptional ore body is now opened up for a length of 340 ft.

This big copper-gold-lead-zinc-silver mine shows ample indications of being a perfectly sound and high-grade mining investment.

The shares are traded in on the Montreal Curb, Montreal Mining Exchange, and the Standard Stock and Mining Exchange, Toronto.

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New Issue

500,000 Shares
Ramore Gold Mines
(No Personal Liability) LIMITED

Authorized Capital..............$3,000,000.00
3,000,000 Shares, Par Value One Dollar Each. 2,000,000 in Treasury.

OFFICERS AND DIRECTORS:

FREDERICK A. N. POWELL
Toronto
President
Former President Lee-Powell Co., Limited

FRED A. GABY
Toronto
Vice-President
Chief Engineer, Hydro-Electric Power Commission of Ontario

FRANK L. TRETHEWEY
Toronto
Secretary-Treasurer
Vice-President Brett-Trethewey Mines, Ltd.

A. A. WALKER
Toronto
Director
Formerly with Massey-Harris Co., Limited

FRANK E. DAVISON
Toronto
Director
Director, Kirkland Townsite Gold Mines, Ltd.

Engineer in Charge:
E. T. CORKILL, M.E.

Transfer Agents and Registrars:
THE TRUSTS AND GUARANTEE CO., LIMITED, Toronto.

Solicitors:
TYTLER & SPROULE, Toronto

Auditors:
CLARKE, HOUSTON & COMPANY,
Chartered Accountants,
Toronto.

Bankers
THE DOMINION BANK, Toronto

Head Office:
306-7-8 C.P.R. BUILDING,
Toronto

PROPERTY

RAMORE GOLD MINES, LIMITED, has been formed to develop a group of eight mining claims in Barnet Township, Larder Lake Mining Division, containing about 320 acres. The Company's property adjoins the celebrated Brett-Trethewey Mines, Limited, on the south, and parallels same for a distance of one mile. The eight claims are recorded on behalf of the Company, and are subject to no encumbrance. Transportation facilities are adequate, as Ramore Station, on the T. and N. O. Railway, is about 12 miles west, and Brett-Trethewey Mines, Limited, have constructed a road from the station to the property. This road runs within a quarter mile of the property of Ramore Gold Mines, Limited, and is available for the use of this Company.

Barnet Township is located approximately 18 miles due north of Kirkland Lake. A number of mining companies are being formed to operate in this field. On the Brett-Trethewey group spectacular gold finds have been disclosed and necessary mining equipment with which to commence operations has been taken to the property, and indications are that similar results should be obtained on the latter's property.

Brett-Trethewey Mines, Limited, and Ramore Gold Mines, Limited, are not only adjoining properties, but their interests are closely allied, thus assuring ideal and economic operations.

GEOLOGY

Mr. E. T. Corkill, M.E., has made an examination of the property. His report in substance says:

"The dominant rocks in the area in which claims are located are Keewatin lavas, consisting largely of basalt. These basalts are cut by numerous dykes of feldspar porphyry and syenite, having an approximately east and west strike. Other dykes of the same material also strike north and south. All these dykes are very persistent in character, and are up to 25 feet in width. These dykes show considerable shearing, accompanied by quartz deposition, and carrying sulphides. Samples taken from some of these mineralized properties in this area carry high gold values. This property has a number of favorable features, most important being that the basalts have been extensively cut by intrusive rocks which are sheared and mineralized."

MANAGEMENT

The affairs of the Company are in the hands of a capable and experienced Directorate. Mr. E. T. Corkill, who will be in complete charge of all the Company's mining operations, is also Consulting Engineer of Brett-Trethewey Mines, Limited.

FINANCIAL STRUCTURE

An offering of only Five Hundred Thousand Treasury Shares is being made. When this financing is completed, sufficient funds will be in the Treasury to provide for an extensive development campaign, which will commence as soon as possible under the direction of Mr. Corkill.

This is the only offering that will be made at the present time, and when it is disposed of one million five hundred thousand shares will remain in the Treasury.

Application will be made to list the shares of this Company on the Standard Stock and Mining Exchange.

Price: 30c Per Share.

Application for Treasury Shares may be made to the undersigned or to your own broker.
FULL INFORMATION UPON REQUEST.

J. H. Neill & Company
Limited
BROKERS
Telephone: ADelaide 2082-3-4-5-6.
344 Bay Street Toronto